

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
EASTERN DIVISION

RECEIVED

2007 OCT 23 P 3:14

RANDALL KIRK

Plaintiff,

vs.

STATE FARM FIRE AND
CASUALTY COMPANY,
DONNY HOLLEY, et al.,

Defendants.

DEBRA P. HACKETT, CLK
U.S. DISTRICT COURT
MIDDLE DISTRICT ALA

Case No.

3:07-CV-957-WKW

NOTICE OF REMOVAL

COME NOW Defendants, State Farm Fire and Casualty Company (hereinafter "State Farm Fire") and Donny Holley (hereinafter "Holley") and give notice of removal of the above-styled action from the Circuit Court of Chambers County, Alabama, to the United States District Court for the Middle District of Alabama, Eastern Division. As grounds for the removal of this action, Defendants aver the following:

1. Upon information and belief Plaintiff, Randall Kirk, was and is a citizen of the State of Alabama residing in Chambers County, Alabama.
2. Defendant State Farm Fire and Casualty Company is a corporation organized and existing under the laws of the State of Illinois, with its principal place

of business in the State of Illinois. Defendant State Farm Fire is a citizen of the State of Illinois.

3. Defendant Donny Holley is a citizen of the State of Alabama residing in Chambers County, Alabama. Defendants, however, contend that Holley was fraudulently joined to this action. The Complaint filed by Plaintiff alleges claims for breach of contract and bad faith against State Farm and negligent and wanton failure to procure insurance against Holley. Plaintiff has demanded compensatory and punitive damages. Defendants have filed contemporaneously with this Notice of Removal, a motion to dismiss filed by Defendant Donny Holley for failure to state a claim pursuant to FED. R. CIV. P. 12(b)(6). A copy of said motion is incorporated herein by reference as Exhibit "A." Defendant Holley should be dismissed as a matter of law, therefore maintaining the requirement of diversity of citizenship pursuant to 28 U.S.C. § 1441. The Eleventh Circuit has recognized that a defendant has been fraudulently joined if there is no possibility the plaintiff can prove any cause of action against the resident under prevailing law. *Cabalceta v. Standard Fruit Co.*, 883 F. 2d 1553, 1556 (11th Cir. 1989); *Insigna v. LaBella*, 845 F. 2d 249, 254 (11th Cir. 1989). The determination of whether the resident defendant has been fraudulently joined is made based upon the plaintiff's pleadings at the time of removal. *Id.*; see also *Pullman Co. v. Jenkins*, 305 U.S. 534 537; 59 S.Ct. 347, 359;

83 L.Ed. 334 (1939). The District Court can consider submitted affidavits, deposition transcripts and other evidence to determine whether fraudulent joinder has occurred. *Coker v. Amoco Oil. Co.*, 709 F. 2d 1433, 1440 (11th Cir. 1983).

4. Defendant Holley was served on September 24, 2007, and State Farm Fire was served on September 25, 2007. Plaintiff's Complaint alleges claims for breach of contract and bad faith against State Farm and negligent and wanton failure to procure insurance against Donny Holley. A copy of the Complaint is attached hereto as Exhibit "B."

5. Other than the filing of the Complaint identified as Exhibit "B," and the discovery that was served with the Complaint, a copy of which forms composite Exhibit "C," no other proceedings have taken place in state court as to the subject matter of Exhibit "B."

6. This action is subject to removal on the basis of diversity of citizenship in that Plaintiff was and is a resident and citizen of the State of Alabama and Defendant State Farm Fire and Casualty Company is a corporation with its principal place of business in the State of Illinois.

7. Defendants maintain that removal of the action initiated by Plaintiff is justified. This is a separate and independent claim which would be removable on its own right. See *Motor Vehicle Cas. Co. v. Russian River County Sanitation Dist.*, 538

F. Supp. 488 (D.C. Cal. 1981). The action being removed is removable due to diversity based on 28 U.S.C. § 1441 (a).

8. In addition to diversity of citizenship among the real and proper parties to this cause, this Court has jurisdiction under 28 U.S.C. § 1332, and removal is proper pursuant to 28 U.S.C. § 1441, in that there is a sufficient basis that the jurisdictional amount in controversy could possibly be met. In his Complaint, Plaintiff seeks an undetermined amount in damages, however, Plaintiff alleges State Farm has failed and/or refused to pay for the damage that was incurred by wind and hail at paragraph 11 of the Complaint. Though not specifically addressing a specified amount in the Complaint, it is clear that Plaintiff is seeking benefits under his policy of insurance, mental anguish and punitive damages.

9. In *De Aguilar v. Boeing Co.*, 11 F. 3d 55 (5th Cir. 1993), the court held that “[w]hen the plaintiff’s complaint does not allege a specific amount of damages, the removing defendant must prove by a preponderance of the evidence that the amount in controversy exceeds \$50,000 [\$75,000]. *Id.* at 58. (emphasis added) (citations omitted). In determining whether the requisite amount in controversy exists to support federal jurisdiction, it is well settled that “the defendant bears the burden, albeit the light burden, of showing that the required amount is in controversy. To do so, defendants must show only that it does not appear to a legal certainty that the

claim is for less than the jurisdictional amount.” *Locklear v. State Farm Mut. Automobile Ins. Co.*, 742 F. Supp. 679, 680 (S.D. Ga. 1989 (citing *St. Paul mercury Indem. Co. v. Red Cab Co.*, 303 U.S. 283 (1938))). (emphasis added). , 5 F. 3d 81, 84 (5th Cir. 1993). This analysis comports with the preponderance of evidence standard put forth in *De Agilar, supra*.

10. Plaintiff’s Complaint is “indeterminate” because Plaintiff does not set forth the amount of a compensatory damage claim and the issue of removal is determined on the basis of the Complaint before the court at the time of the removal. *Cabalceta v. Standard Fruit Co.*, 883 F. 2d 1553, 1561 (11th Cir. 1989). “An indeterminate complaint does not show that the case is not removable. It simply does not comment on federal jurisdiction.’ *Robinson v. Quality Ins. Co.*, 633 F. Supp. 572, 574 (S.D. Ala. 1986). In such cases, the Court has the ‘duty to independently determine the propriety of jurisdiction.’ *Id.* at 575.”

11. Further, when the Court must determine whether the amount in controversy has been met for jurisdictional purposes, “the court must consider a claim for punitive damages “unless it is apparent to a legal certainty that such cannot be recovered.”” *Lowe’s OK’d Used Cars, Inc. v. Acceptance, Ins. Co.*, 995 F.Supp. 1388, 1389 (M.D. Ala. 1998)(citing *Holley Equipment Co. v. Credit Alliance Corp.*, 821 F.2d 1531 (11th Cir. 1987). Again, State Farm in no way concedes the fact that

any wrong was committed, or that punitive damages are even appropriate in this case, (and, in fact, State Farm denies same.) However, it is plausible that a punitive damage award combined with the compensatory damage relief sought by Plaintiff could indeed exceed the jurisdictional amount. A copy of a recent judgment from the same county with the same attorney for the plaintiff, the same defense attorney and State Farm Life Insurance Company is attached as Exhibit "D." This judgment clearly shows a compensatory award well under the jurisdictional amount, when combined with punitive damages in Chambers County, Alabama, can and most likely will result in an amount which far exceeds \$75,000.

12. If the above is reviewed *in toto*, Defendants avers that they have met the evidentiary burden set forth in *Lowe's* requiring that a "defendant may only establish removal jurisdiction by showing to a 'legal certainty that the plaintiff would not recover less than the federal jurisdictional amount if the plaintiff prevailed.'" *Id.* at 1389.

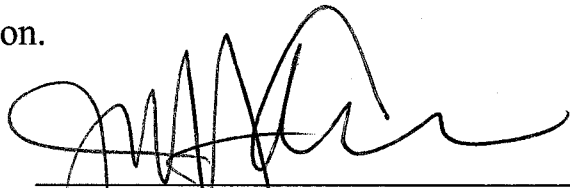
13. This petition is filed with this Court within 30 days of service of process on these Defendants.

14. This Court has original jurisdiction of the above-entitled action pursuant to 28 U.S.C. §1332, and since Defendant State Farm Fire is not a resident citizen of the State of Alabama, wherein the above-entitled action is pending, removal of this

action to this Court is proper pursuant to 28 U.S.C. § 1441.

15. Notice of the Defendants' removal of the above-styled action has been given to the Clerk of the Circuit Court of Chambers County, Alabama, and to the Plaintiff, as required by 28 U.S.C. § 1446(d). See Exhibit "E" attached hereto.

WHEREFORE, Defendants have removed this action from the Circuit Court of Chambers County, Alabama, to the United States District Court for the Middle District of Alabama, Eastern Division.



JAMES H. ANDERSON [AND021]
MICHEAL S. JACKSON [JAC015]
CONSTANCE T. BUCKALEW [BUC015]
ANGELA TAYLOR BAKER [TAY062]
Counsel for Defendant State Farm Fire and
Casualty Company

Of Counsel:

BEERS, ANDERSON, JACKSON,
PATTY, & FAWAL, P.C.
P. O. Box 1988
Montgomery, Alabama 36102-1988
Tel: (334) 834-5311 / Fax: (334) 834-5362

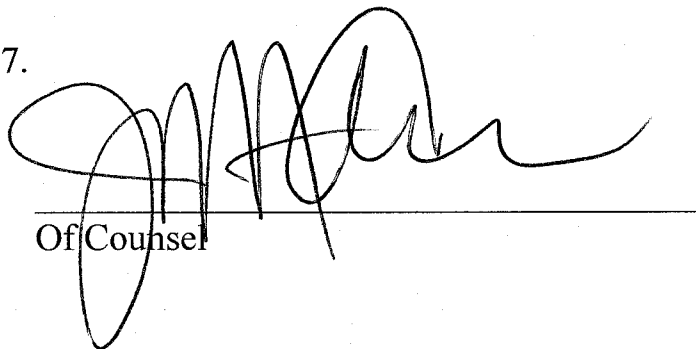
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon all parties to this action by depositing a copy of same in the U.S. Mail, postage prepaid, addressed as follows:

Nick Wooten, Esq.
WOOTEN LAW FIRM, P.C.
P. O. Drawer 290
Lafayette, AL 35862

David Hodge , Esq.
**PITTMAN, HOOKS, DUTTON, KIRBY
& HELLUMS, P.C.**
1100 Park Place Tower
2001 Park Place North
Birmingham, Alabama 35203

on this the 23rd day of October, 2007.



Of Counsel

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
EASTERN DIVISION

RANDALL KIRK

Plaintiff,

vs.

STATE FARM FIRE AND
CASUALTY COMPANY,
DONNY HOLLEY, et al.,

Defendants.

Case No. 3:07-CV-957-WKW

DEFENDANT DONNY HOLLEY'S MOTION TO DISMISS

COMES NOW Defendant (Donny Holley) and moves this Court to dismiss Count Three of Plaintiff's Complaint¹ pursuant to Rule 12(b)(6), *Federal Rules of Civil Procedure*. Count Three of Plaintiff's Complaint fails to state a claim against Holley upon which relief can be granted. Plaintiff can prove no set of facts in support of any allegation set forth in Count Three of the Complaint that would entitle her to relief against Holley. In support thereof, Defendant Holley states as follows:

INTRODUCTION

Plaintiff's Complaint arises from her submission of a claim to State Farm Fire and Casualty Company regarding storm damage to her home. Plaintiff's Complaint

¹ Count Three is the only Count of the Complaint asserted against Holley.



alleges Defendant Holley negligently or wantonly procured the policy of insurance on Plaintiff's home. Plaintiff's Complaint also alleges breach of contract and bad faith against Defendant State Farm. As will be demonstrated below, even when this allegation is viewed most strongly in Plaintiff's favor, Defendant Holley contends that there is no circumstance which would entitle Plaintiff to relief.

II. ARGUMENT

A. MOTION TO DISMISS STANDARD

On May 21, 2007, the United States Supreme Court issued *Bell Atlantic v. Twombly*, 550 U.S. _____ (2007), 127 S.Ct. 1955, 2007 WL 1461066 (U.S.), effectively redefining the standard for a Rule 12(b)(6) Motion to Dismiss. Prior to *Twombly*, the standard for analyzing a motion to dismiss was set forth in *Conley v. Gibson*, 355 U.S. 42(1957). *Conley* stated that "[a] complaint should not be dismissed for failure to state a claim unless it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief." *Id.* at 45-46. In *Twombly*, the Court revisited *Conley* and set forth the following standard for motions to dismiss:

While a complaint attacked by a Rule 12(b)(6) motion to dismiss does not need detailed factual allegations ... a plaintiff's obligation to provide the 'grounds' of his 'entitlement to relief' requires more than labels and conclusions, and a formulaic recitation of the elements of

the cause of action will not do ... Factual allegations must be enough to raise a right to relief above the speculative level ... on the assumption that all the allegations in the complaint are true (even if doubtful in fact).

Twombly, 550 U.S. at 1964-68. The Court further noted that the plaintiff must present plausible grounds to state a claim for relief, specifically stating that “something beyond a mere possibility of loss causation” must be pled to satisfy Rule 8. *Id.* at 1968-69 (citing *Dura Pharmaceuticals Inc. v. Broudo*, 544 U.S. 336 (2005)). Even though *Twombly* was an anti-trust case, the Court expressly rejected the previous “no set of facts” standard enumerated by *Conley*, *supra*, a labor law case, thereby suggesting this new standard for deciding motions to dismiss is applicable to all cases, not merely those sounding in anti-trust. The Court’s earlier standard was more generous to the plaintiff in that a Motion to Dismiss would only be granted if “no set of facts” could support a plaintiff’s claims. The emphasis on the “no set of facts” language encouraged denial of a motion to dismiss on any facts presented by a plaintiffs regardless of their implausibility. In discrediting the *Conley* opinion Justice Souter wrote:

[T]here is no need to pile up further citations that *Conley*’s ‘no set of facts’ language has been questioned, criticized and explained away long enough [A]fter puzzling the profession for 50 years, this famous observation has earned its retirement. The phrase is best forgotten as an incomplete, negative gloss on an accepted pleading

standard: once a claim has been stated adequately, it may be supported by any set of facts consistent with the allegations in the complaint... Conley, then, described the breadth of opportunity to prove what an adequate complaint claims, not the minimum standard of adequate pleading to govern a complaint's survival.

Id. at 1969. *Twombly* did not seek to heighten the pleading standards but required “only enough facts to state a claim to relief that is plausible on its face.” *Id.* at 1974. Because the Plaintiff in this case has failed to plead her claims against Defendant Holley “across the line from conceivable to plausible”, the allegations against Holley are due to be dismissed. *Id.* at 1974.

B. ALLEGATIONS AGAINST HOLLEY

A review of all the allegations against Holley in Plaintiff's Complaint reveals why the Complaint fails to state a claim against Holley. First, Plaintiff asserts Defendant Holley procured a homeowner's insurance policy for Plaintiff's home and that State Farm issued the homeowners policy which specifically provided coverage for wind and/or hail damage. (Complaint, ¶ 6). These assertions confirm Plaintiff wanted a policy which provided coverage for wind and/or hail damage, that Defendant Holley procured said policy and that State Farm indeed issued said policy to Plaintiff. Plaintiff then claims in Count Three that Defendant Holley negligently or wantonly procured the policy of insurance because State Farm did not pay for wind

and hail damage but Holley informed Plaintiff the policy she purchased provided coverage for wind and/or hail. Since Plaintiff desired a homeowners policy which provided coverage for wind and/or hail damage and Defendant Holley procured a homeowners policy for Plaintiff which provided said coverage, Defendant Holley was not negligent or wanton in the procurement of the policy. The State Farm homeowners policy issued to Plaintiff specifically provides coverage for the accidental direct physical loss to the insured property which includes wind and/or hail damage:²

SECTION I - LOSSES INSURED

COVERAGE A - DWELLING

We insure for accidental direct physical loss to the property described in Coverage A, except as provided in **SECTION I - LOSSES NOT INSURED.**

(Exhibits "A," "B," and "C," p. 5). Since Defendant Holley procured the exact policy Plaintiff requested then Plaintiff has wholly failed to assert a plausible claim of negligent or wanton procurement against Defendant Holley.

Plaintiff appears to suggest in her Complaint that because State Farm allegedly

² Attached as Exhibits "A," "B," and "C" are copies of Plaintiff's homeowners policies. The attachment of said policy declaration pages to this motion to dismiss does not convert said motion into a motion for summary judgment. *Deerman v. Federal Home Loan Mortgage Corp.*, 955 F.Supp. 1393, 1397 (N.D. Ala. 1997). *See also Holyfield v. Moates*, 565 So.2d 186 (Ala. 1990).

denied her claim for wind and/or hail damage then the only reason for said denial was because the policy did not provide coverage for said type of loss; i.e. Holley negligently or wantonly procured her policy. (Complaint, ¶ 17) To the contrary, as set forth in the policy language above, the Plaintiff's policy of insurance does provide insurance benefits for wind and/or hail damage if that type of loss actually occurred. State Farm's alleged denial of Plaintiff's insurance claim does not automatically equate to negligent or wanton procurement on the part of Holley. Based on the plain language of the Complaint, Plaintiff has failed to assert a plausible claim of negligent or wanton procurement.

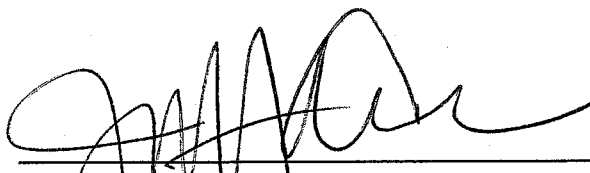
The Court in *Twombly* was clear that the new standard now requires the trial court to consider the likelihood of the allegations, to not only weigh the allegations against the law, but also against logic. *See generally Twombly*. The new standard requires the Court to determine whether enough facts have been stated in the Plaintiff's Complaint to conclude that it is plausible that the Plaintiff is entitled to relief, not merely that relief is remotely possible. *Id.* at 1968 - 1969. In the case sub judice, Plaintiff's allegations fail to present plausible evidence to even suggest why she is entitled to relief. While Plaintiff may argue her claim against Holley is remotely possible, the claim is wholly implausible, thereby warranting dismissal under the newly established standard set forth in *Twombly*. "When the allegations in

a complaint, however true, could not raise a claim of entitlement to relief, 'this basic deficiency should be ... exposed at the point of minimum expenditure of time and money by the parties and the Court.'" *Id.* at 1966. Count Three of Plaintiff's Complaint against Defendant Holley should be dismissed for failure to state a claim upon which relief can be granted.

CONCLUSION

Plaintiff's claims against Defendant Holley for negligent or wanton procurement are due to be dismissed as the Complaint shows on its face that Holley in fact procured a policy which covers wind and hail damage, and, therefore, cannot be liable for negligent failure to procure. Plaintiff's Complaint does not allege that State Farm denied the claim because there was wind and hail and that the policy does not cover wind and hail. The fact State Farm denied the claim -- if it did -- does not change the policy terms and does not remove coverage for wind and hail from the policy. The denial -- if it happened -- subjects State Farm to an action for breach of contract and, if warranted, bad faith; but the denial -- if it happened -- does not

subject Holley to an action for negligent/wanton failure to procure when the policy clearly provides that coverage. Therefore, Holley is due to be dismissed.



JAMES H. ANDERSON [AND021]
MICHEAL S. JACKSON [JAC015]
Attorneys for Donny Holley

OF COUNSEL:

BEERS, ANDERSON, JACKSON,
PATTY & FAWAL, P.C.
P. O. Box 1988
Montgomery, Alabama 36102-1988
(334) 834-5311
(334) 834-5362 fax

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon all parties to this action by depositing a copy of same in the U.S. Mail, postage prepaid, addressed as follows:

Nick Wooten
WOOTEN LAW FIRM, P.C.
P. O. Drawer 290
Lafayette, AL 35862

David Hodge
PITTMAN, HOOKS, DUTTON, KIRBY
& HELLUMS, P.C.
1100 Park Place Tower, 2001 Park Place
N.
Birmingham, Alabama 35203

on this the 23rd day of October, 2007.



OF COUNSEL

State Farm Fire and Casualty Company

Home Office, Bloomington, Illinois 61710



Birmingham Operations Center
100 State Farm Parkway
P.O. Box 2661
Birmingham, Alabama 35297-0001

CERTIFICATE

I, the undersigned, do hereby certify that I am custodian of the records pertaining to the issuance of policies issued by the Personal Lines Division of State Farm Fire & Casualty Company, a stock company with home offices in Bloomington, Illinois.

Based on our available records, I further certify that the attached coverage summary dated DEC 22, 2005 represents a true copy of the policy provisions and coverages as of FEB 05, 2006 for policy 93-CA-6580-0 issued to KIRK, RANDALL C
PO BOX 384
LANETT AL 36863-0384

LOCATION: 5438 16TH ST SW
LANETT AL 36863-4212

Bill Lovell

Bill Lovell
Underwriting Section Manager
State Farm Fire & Casualty Company
Birmingham Operation Center
Birmingham AL 35297-0001

State of Alabama

County of Jefferson

Subscribed and sworn to before me this 15th day of October, 2007



Constance Nichols Horton
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: July 5, 2011
BONDED THRU NOTARY PUBLIC UNDERWRITERS

SF- Kirk- 5438 16 St.
SF-00079



B-09- 1520-F282 F R

KIRK, RANDALL C
 PO BOX 384
 LANETT AL 36863-0384



Location: 5438 16TH ST SW
 LANETT AL
 36863-4212

Mortgagee: MC CORMICK, E J
 Loan No: N/A-Print on Paystub

Forms, Options, and Endorsements

Special Form 3	FP-8103.3
Debris Removal Endorsement	FE-7540
Bodily Injury Amended Defin	FE-8654
Fungus (Including Mold) Excl	FE-5722
Amendatory Subrogation Cond	FE-5841

Rental Dwelling Pol - Special Form
 FEB 05 2006 to FEB 05 2007

DATE DUE	SEE BALANCE DUE NOTICE
FEB 05 2006	\$441.

Coverages and Limits

Section I

A Dwelling	\$56,500
Dwelling Extension	5,650
B Personal Property	2,820
C Loss of Rents	Actual Loss

Deductibles - Section I

Basic	50
-------	----

Section II

L Business Liab (per occurrence)	\$300,000
(annual aggregate)	600,000
M Medical Payments to Others	1,000
(each person)	

Annual Premium
Amount Due

\$441.
 \$441

Premium Reductions

Your premium has already been reduced
 by the following:
 Home Alert Discount

Inflation Coverage Index: 201.0

SF- Kirk- 5438 16 St.
 SF-00080

38 3349 5470

See reverse side for important information

Thanks for letting us serve you...

0836 1V,TF 2011 1
 E
 Agent DONNY HOLLEY
 Telephone (334) 644-2111

REB

Prepared DEC 22 20

CONTINUED FROM FRONT

our Rental Dwelling coverage amount....

It is up to you to choose the coverages and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your rental dwelling. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc.[®] using information you provide about your rental dwelling. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your rental dwelling. State Farm[®] does not guarantee that any estimate will be the actual future cost to rebuild your rental dwelling. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage to periodically review your coverages and limits with our agent and to notify us of any changes or additions to your rental dwelling.

SF- Kirk- 5438 16th St.
SF-00081

NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

During the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

11008qg) Rev. 05-2005

(01f315a)

Debris Removal is replaced by the following:

1. Debris Removal. We will pay the reasonable expenses you incur in the removal of debris of covered property when coverage is afforded for the peril causing the loss. This expense is included in the limit applying to the damaged property.

We will pay up to \$500 in the aggregate for each loss to cover the reasonable expenses you incur in the removal of tree debris from the residence premises when the tree has damaged property covered under Coverage A.

When the amount payable for the property damage plus the debris removal expense exceeds the limit for the damaged property, an additional 5% of that limit is available for debris removal expense.

All other policy provisions apply.

FE-7540
(9/89)

SF- Kirk- 5438 16th St.
SF-00082

BODILY INJURY AMENDED DEFINITION ENDORSEMENT

The definition of **bodily injury** is replaced by the following:

"bodily injury":

a. means physical injury, sickness or disease to a person, including required care, loss of services and death resulting therefrom;

b. does not include:

(1) disease, bacteria, parasite, virus or other organism, any of which are communicable and transmitted by any **insured** to any other person;

(2) the exposure to any such disease, bacteria, parasite, virus or other organism by any **insured** to any other person; or

(3) emotional distress, mental anguish, humiliation, mental distress, mental injury or any similar injury unless it arises out of actual physical injury to some person.

All other policy provisions apply.

FE-8654
(4/98)

Printed in U.S.A.

SF- Kirk- 5438 16th St.
SF-00083

FUNGUS (INCLUDING MOLD) EXCLUSION ENDORSEMENT**DEFINITIONS**

In all policies, the following definition is added:

"fungus" means any type or form of fungi, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

SECTION I - LOSSES NOT INSURED

In SPECIAL FORM 3 policies only, item 1.j. is replaced by the following:

j. rust, or wet or dry rot;

The following is added to item 2. of Losses Not Insured in SPECIAL FORM 3 policies or under Losses Not Insured in BASIC MODIFIED REPLACEMENT COST - FORM 1 policies:

Fungus, including the growth, proliferation, spread or presence of **fungus**, and including:

- (1) any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the described premises or location of the rebuilding, repair or replacement of that property, by **fungus**;
- (2) any remediation of **fungus**, including the cost or expense to:
 - (a) remove or clean the **fungus** from covered property or to repair, restore or replace that property;
 - (b) tear out and replace any part of the building or other property as needed to gain access to the **fungus**;
 - (c) contain, treat, detoxify, neutralize or dispose of or in any way respond to or assess the effects of the **fungus**; or

FE-5722

(d) remove any property to protect it from the presence of or exposure to **fungus**;

(3) the cost of any testing or monitoring of air or property to confirm the type, absence, presence or level of **fungus**, whether performed prior to, during or after removal, repair, restoration or replacement of covered property.

SECTION II - EXCLUSIONS

In all policies, the following exclusion is added to item 1.:

l. any:

- (1) **bodily injury, personal injury, or property damage** arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any **fungus** at or from any source or location; or
- (2) loss, cost or expense arising out of any:
 - (a) request, demand or order that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or dispose of or in any way respond to or assess the effects of **fungus**; or
 - (b) claim or suit for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of **fungus**.

All other policy provisions apply.

AMENDATORY SUBROGATION CONDITION ENDORSEMENT

SECTION I AND SECTION II - CONDITIONS

Subrogation is replaced with the following:

Subrogation.

- a. If any **insured** to or for whom we make payment under this policy has rights to recover damages from another, those rights are automatically transferred to us to the extent of our payment. We are subrogated to the full extent of our payment and our rights are not dependent on whether that **insured** is fully compensated for their loss or is made whole. The application of a deductible under this policy shall not prevent any **insured** from being considered fully compensated or made whole.
- b. If any **insured** to or for whom we have made payment has not recovered from any party liable for the damages, that **insured** shall:
 - 1) take no action after a loss prejudicing our rights under this contract;
 - 2) keep these rights in trust for us;
 - 3) sign and deliver any legal papers we need;
 - 4) when we ask, take action through our representative to recover our payments;
 - 5) cooperate with us in a reasonable manner.
- c. If any **insured** to or for whom we have made payment recovers from any other party liable for the damages:
 - 1) that **insured** shall hold in trust for us the proceeds of the recovery; and
 - 2) that **insured** shall reimburse us to the extent of our payment.
- d. Any **insured** may waive in writing before a loss all rights of recovery against any person.

Subrogation does not apply under **SECTION II** to **PREMISES MEDICAL PAYMENTS**.

FE-5841

SF- Kirk- 5438 16th St.
SF-00085

AL-MISS (09)

PDQ - Name and Address

QNB001F0

F 93 CA6580 0 Team/Div/Unit: RDP RCUP

B

Type: RENTAL DWELL 3

Status: 20 EXTRACT - RENEWAL R Note IV

Eff: 02-05-2006 Exp: 02-05-2007

Agt: 1520-F282 Name: HOLLEY, DONALD A

(Donny) Ph: 334-644-2111

Addl interest: 01

Insured

1st Addl Type: MTG

N: KIRK, RANDALL C

A: PO BOX 384

C: LANETT AL

N: MC CORMICK, E J

A: PO BOX 55

C: CUSSETA AL

36863-0384

Ph: 334-576-5639 B

SSN 1: 421-92-1071

Zip: 36852-0055

DOB 1: 04-19-1960

Ins is: INDIVIDUAL

Location

5438 16TH ST SW

LANETT AL

Zip: 36863-4212

PDQ screen: _____ Next system: PDQ Input screen _____

07/10/12
ID: NG8T

SF- Kirk- 5438 16th St.
SF-00086

AL-MISS (09)

PDQ - General Data

QNB002T6

F 93 CA6580 0 Name: KIRK, RANDALL C
Status: 20 EXTRACT - RENEWAL R Note IV

Type: RENTAL DWELL 3

Eff: 02-05-2006 EXP: 02-05-2007
Ratable: YES Prem code: 2 Term: 98

Last entry date: 12-22-2005 LPU date: 02-06-2007 Stat agent: 1520

Billing Information

Total premium: 441.00

Acct renewal dt: 01-06-2006 B-10: N

Commission data						
Occr	Agt	Mgr	CC	Np	Rate	Ctl
1	1520				0 0	441.00

PDQ Screen: _____ Next system: PDQ Input screen _____

07/10/12
ID: NG8T

SF- Kirk- 5438 16th St.
SF-00087

AL-MISS (09)

PDQ - Statistical Policy Information

QNB035A1

F 93 CA6580 0 Name: KIRK, RANDALL C
Eff: 02-05-2006 Exp: 02-05-2007

----Coverages----- --Med Pay Limits--
A33 1000

A32 300000

Forms and opt:

FP /8103/3 FE /7540 FE /8654 FE /5722 FE /5841

Risk no: 1

YR ISS 96 RATEIV 081 RATE V 17.00 ZONE V 5.03
SBZN V 5.03 IV 8

Total number of loc: 0001 Total coverage A: 56,500
Total coverage B: 2,825

PDQ screen: _____ Next system: PDQ Input screen _____

07/10/12
ID: NG8T

SF- Kirk- 5438 16th St.
SF-00088

AL-MISS (09)

PDQ - Statistical Line Information

QNB034W1

F 93 CA6580 0 Name: KIRK, RANDALL C

Eff: 02-05-2006 Exp: 02-05-2007

Ln	Index	Amount	Ded	Ded Liability	Annual Premium	Accounting Premium	Sp Zn	Sb Cov	Pol Cd	R Cd
001	R-201.0	56500	500	300000	441.00		45	RD		3 1
Total:					441.00					

Ln	Loc No	Const	PC	Cnty	City	MTE	Yr Blt	Remod Yr	No Units	Spr	Cr	R
001	0001	F	4003	009	Y460		1945		1			1

Ln	Hm Alert	Alarm Cr/Pct	New/Rem/OH	Sq Ft	Roof	Roof Cl	Area	Wind Cr	Eq	Cl	R
001	SA	\$8/ 2%	\$25	900	S						1

Ln	BCEG	Certified BC	Improved BC	Yr	Community BC	LPEX	Stove	R
001								1

Ln	Roof Cov	Hail Res	Inst Dt	HRC/PCT	Subzn	WLRRP	WLRCr/Fct	R
001					03			1

PDQ screen: _____ Next system: PDQ Input screen _____ Loc: _____07/10/12
ID: NG8TSF- Kirk- 5438 16th St.
SF-00089

AL-MISS (09)

PDQ - Underwriting Screen

QNB004T0

F 93 CA6580 0 Name: KIRK, RANDALL C
 Status: 20 EXTRACT - RENEWAL R Note IV

Type: RENTAL DWELL 3

Eff: 02-05-2006 Exp: 02-05-2007

Move-in: N

Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny) Phone: 334-644-2111
 Additional interests: 01 Yr blt: 1945 Yr iss: 1996

Forms and options: FP /8103/3 SPECIAL FORM
 FE /7540 DEBRIS REMOVAL
 FE /8654 BI AMENDED DEF
 FE /5722 FUNGUS EXCL
 FE /5841 AMEND SUB COND

Deductibles
 ALL PERILS 500

Coverages

Total coverage A 56500
 Total coverage B 2825

Total premium: 441.00

----- Und Reports -----

Vend Report Result Score Date
 I G 12-07-1999

Business liability (A32) 300000
 Aggregate liability 600000
 Med pay per person (A33) 1000

LNGTD: - 85.2525460
 LATUD: 32.8501340
 Match type: A

Loss history

Date of last CDQ: 06-28-2007
 Claim No Claims: 1
 Number Loss Date Status
 01X517162 04-19-2006 CLOSED

PDQ screen: _____ Next system: PDQ Input screen _____

07/10/12
 ID: NG8T

SF- Kirk- 5438 16th St.
 SF-00090

AL-MISS (09)

PDQ - Notes

QNB006D7

F 93 CA6580 0 Name: KIRK, RANDALL C Type: RENTAL DWELL 3
Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny)

Roof: S 900

Photo: 02-23-2004

Last reinspection: 02-23-2004 By: REGION Entered: 08-05-2004

Inactive notes exist - View using Trio Notes

Pol Note A-31C REC LETTER DATED 08-13-04. REPALCE REAR AND SIDE DOOR
1: Oper ID: VI5 Date: 08-12-2004

PDQ screen: _____ Next system: PDQ Input screen: _____

07/10/12
ID: NG8T

SF- Kirk- 5438 16th St.
SF-00091

AL-MISS (09)

Claim History Review

QNN542X3

Pol no: F 93 CA6580 0 Insured: KIRK, RANDALL C

Oper: NG8T

Yr iss: 1996 Exp: 02-05-2008 Type: RENTAL DWELL 3 SAS:

Agt/AFO: 1520 F282

Status: 01 Prop amt: 60400 Ded: ALL PERILS 500 No claims: 1

No	Claim Number	Date of Loss	Cause/ Reason	Status
1	01X517162	04-19-2006	35/HLC	CLOSED

	Reserve Amount	Paid Amount	Recovery Amount	Expense Amount	Mold Ind Amount
1	0	3184	0	467	0

INSURED KIRK, RANDALL C

Initial dt closed: 07-08-2007

Selections:
Next System: PDQ PDQ screen: UND Page: 107/10/12
08:31:00
@NG8TSF- Kirk- 5438 16th St.
SF-00092

AL-MISS (09)

Claim Detail Cause

QNN544T0

Pol no: F 93 CA6580 0 SAS: Type: RENTAL DWELL 3
 Insured: KIRK, RANDALL C Agt: 1520 HOLLEY, DONALD A
 PO BOX 384 Exp: 02-05-2008
 Status: 01 NOT IN BILL CYCLE R No claims: 1
 Yr iss: 1996 Prop amt: 60400
 Ded: ALL PERILS 500

Claim no: 01X517162 Dt of loss: 04-19-2006 Dt closed: 07-08-2007 RC:
 Pol no: F 93 CA6580 0 Dt reported: 06-28-2007 Indem amt pd: 3184.20
 Agent: 1520 Suit/ADR: Y/ Reserve amt: 0.00
 Type: RENTAL DWELL 3 Cat code: RA Expense amt: 467.00
 Unit: 4 8 Salvage: NO Recovery amt: 0.00
 Status: CLOSED Subrogation: NO Mold ind amt: 0.00
 Claim off: MONTGOMERY OP CN
 Ins: KIRK, RANDALL C Claimant:
 PO BOX 384 Claimant dt of birth:
 Adjuster: ANGELA B PIERCE Adjuster phone no: 334-213-1082
 Und Rev: Initial dt closed: 07-08-2007

Cause/Line: 35/RD WIND OR HAIL - BUILDING
 Status: PD CLOSED BY FINAL INDEMNITY PAYMENT
 Indem amt pd: 3184.20 Reserve amt: 0.00 Loc no: 0001
 Expenses pd: 467.00 Recovery amt: 0.00
 Comment: HL HAIL LOSS

Cause/Line:
 Status:
 Indem amt pd: Reserve amt: Loc no:
 Expenses pd: Recovery amt:
 Comment:

Next system: PDQ PDQ screen: UND Page: 1

07/10/12
@NG8TSF- Kirk- 5438 16th St.
SF-00093

AL-MISS (09) ***** PDQ - HISTORY OF TRANSACTION *****

QNB007B7

F 93 CA6580 0 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
RENEWAL COMM RELEASED (RENEWAL WRITTEN PREM RELEASED PREVIOUSLY)		02-06-2007		
WRITTEN PREM RELEASED WITHOUT COMM (RENEWAL EFFECTIVE DATE REACHED)		02-05-2007		
BILLING		12-22-2006	02-05-2007	467.00
WRITTEN PREM AND COMM RELEASED		01-06-2006		
BILLING		12-22-2005	02-05-2006	441.00
WRITTEN PREM AND COMM RELEASED		01-18-2005		
BILLING		12-22-2004	02-05-2005	427.00
REINSPECTION Region	CMS8	08-05-2004	02-23-2004	
TOWNCLASS CHANGED BY RECODE		02-13-2004	02-13-2004	
WRITTEN PREM AND COMM RELEASED		01-08-2004		
BILLING		12-22-2003	02-05-2004	409.00
1ST ADDITIONAL INTEREST CHANGED OLD MTG - MC CORMICK, E G	GGC3	10-01-2003	09-26-2003	
WRITTEN PREM AND COMM RELEASED		01-06-2003		

*** OVERFLOW - PRESS PF14 ***

PDQ SCREEN _____ NEXT SYSTEM PDQ INPUT SCREEN _____07/10/12
ID: NG8TSF- Kirk- 5438 16th St.
SF-00094

AL-MISS (09) ***** PDQ - HISTORY OF TRANSACTION ***** QNB007B7

F 93 CA6580 0 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
BILLING		12-23-2002	02-05-2003	342.00
TERRITORY ZONE CHANGED BY RECODE		04-17-2002	04-17-2002	
WRITTEN PREM AND COMM RELEASED		01-03-2002		
BILLING		12-21-2001	02-05-2002	306.00
WRITTEN PREM AND COMM RELEASED		01-12-2001		
BILLING		12-22-2000	02-05-2001	250.00
WRITTEN PREM AND COMM RELEASED		12-30-1999		
BILLING		12-14-1999	02-05-2000	243.00
FPA ADDED		12-07-1999	12-07-1999	
NAME AND ADDRESS CHANGE INSURED NAME AND/OR ADDRESS CHANGE	AQF7	02-05-1999		
WRITTEN PREM AND COMM RELEASED		01-11-1999		
BILLING		12-23-1998	02-05-1999	235.00
WRITTEN PREM AND COMM RELEASED		01-07-1998		
BILLING		12-22-1997	02-05-1998	233.00

*** OVERFLOW - PRESS PF14 ***

PDQ SCREEN _____ NEXT SYSTEM PDQ INPUT SCREEN _____07/10/12
ID: NG8TSF- Kirk- 5438 16th St.
SF-00095

AL-MISS (09) ***** PDQ - HISTORY OF TRANSACTION ***** QNB007B7

F 93 CA6580 0 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
DECREASE ENDORSEMENT PROTECTION CLASS CHANGED	AQF7	06-13-1997	05-01-1997	18.41
CODE CHANGE	AQF7	06-12-1997	06-12-1997	
TOWNCLASS CHANGED BY RECODE		04-10-1997	04-10-1997	
WRITTEN PREM AND COMM RELEASED		01-03-1997		
BILLING		12-23-1996	02-05-1997	252.00
REINSPECTION Agent	AQF7	02-15-1996	02-05-1996	
NEW BUSINESS	AQF7	02-15-1996	02-05-1996	249.00

PDQ SCREEN _____ NEXT SYSTEM PDQ INPUT SCREEN _____07/10/12
ID: NG8TSF- Kirk- 5438 16th St.
SF-00096

AL-MISS (09) ***** HISTORY OF JOURNAL ACTIVITY SCREEN ***** QND536A2

93 CA6580 0 NAME KIRK, RANDALL C TYPE RENTAL DWELL 3

JNL	DATE	JNL	CO	AMOUNT	ACCOUNT	REMITTER/ PAYEE	CROSS REFERENCE	BALANCE DUE
02-07-07	PCT	F		467.00	CR 336-00 CASH SUSP	INS		
	PCT	F		467.00	DR 307-74 CPC PYMT	INS	IE20	
02-06-07	PCT	F		467.00	DR 336-00 CASH SUSP			
	PCT	F		467.00	CR 235-12 PICC			
02-05-07	PCT	F		467.00	CR 010-04 WRIT PREM			
	PCT	F		467.00	DR 235-12 PICC			467.00
01-06-06	PCT	F		441.00	CR 010-04 WRIT PREM			
	PCT	F		441.00	CR 336-00 CASH SUSP	INS		
	PCT	F		441.00	DR 336-00 CASH SUSP			
	PCT	F		441.00	DR 307-74 CPC PYMT	INS	I892	

PDQ SCREEN HIST NEXT SYSTEM PDQ

07/10/12
@NG8TSF- Kirk- 5438 16th St.
SF-00097

Insured: Kirk, Randall
Policy: 93-CA6580

Eff/Ren date:
Survey type: Limited
FUSR: 78T15BNHGRN5

Location street: 5438 16th ST Sw
Location city: Lanett, AL 36863
Location county:
Mailing street: 5438 16th ST Sw
Mailing city: Lanett, AL 36863

Hours of operation: to:

Contact:
Contact title:
Contact phone:

Survey status: Reviewed
Action taken on Policy: Issued

Date requested: 02/20/04 Date due: 03/20/04
Date completed: 02/23/04 Date reviewed: 08/05/04

Completed by: Keith Murdock
Reviewed by: Alex Fitts

Special comments:

02-23-4 The requested survey type "Residential P
& C" has not been completed. See narrative for additional
information.

Request - Policy

Assigned to: Murdock, Keith
Requested by: Fitts, Alex

Agent name: Holley, Donny
Agent code: 1520
AFO: F282

Application status: Written

Coverage amounts
Building:
Contents:
Liability:

Other policies: No

Summary Page

Sources of information
None

Attitude favorable: N/A

SF- Kirk- 5438 16th St.
SF-00098

Recs discussed with insured: N/A
Expect compliance: N/A
Recs discussed with agent: N/A
Risk meets CLM requirements: N/A
Future surveys suggested: N/A

Opinion of risk: Satisfactory

Date surveyed: 02/23/04

Narrative Page

AQA survey -- back door needs to be replaced and a door needs to be added to a side entrance (see photos)

Narrative - Unsatisfactory items or concerns

Summary - Source of information - none

Recommendations Summary

Required:

None present

Suggested:

None present

Commercial Cost Guide Worksheet

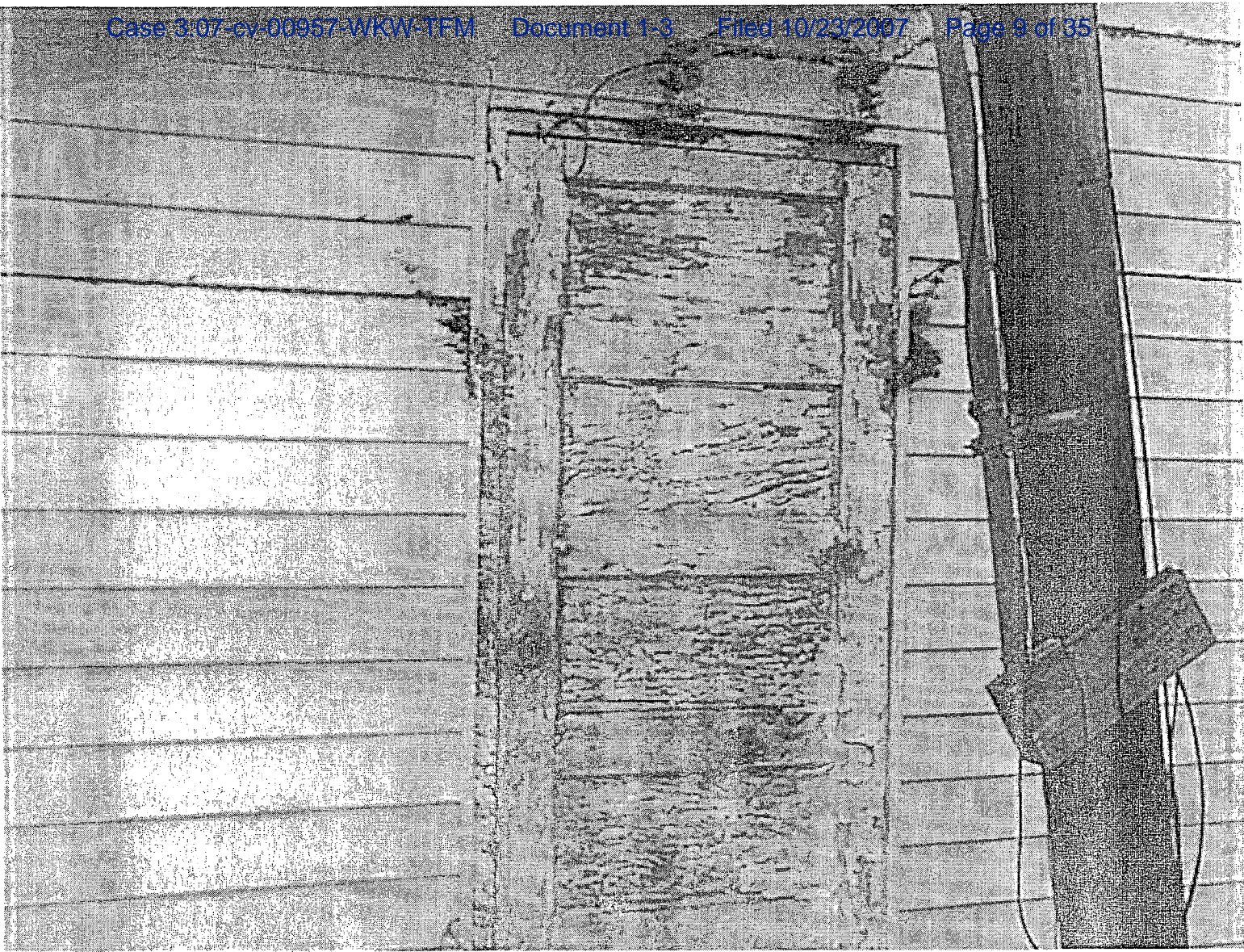
No cost guide information entered

Directions

No information entered

Comments

No information entered



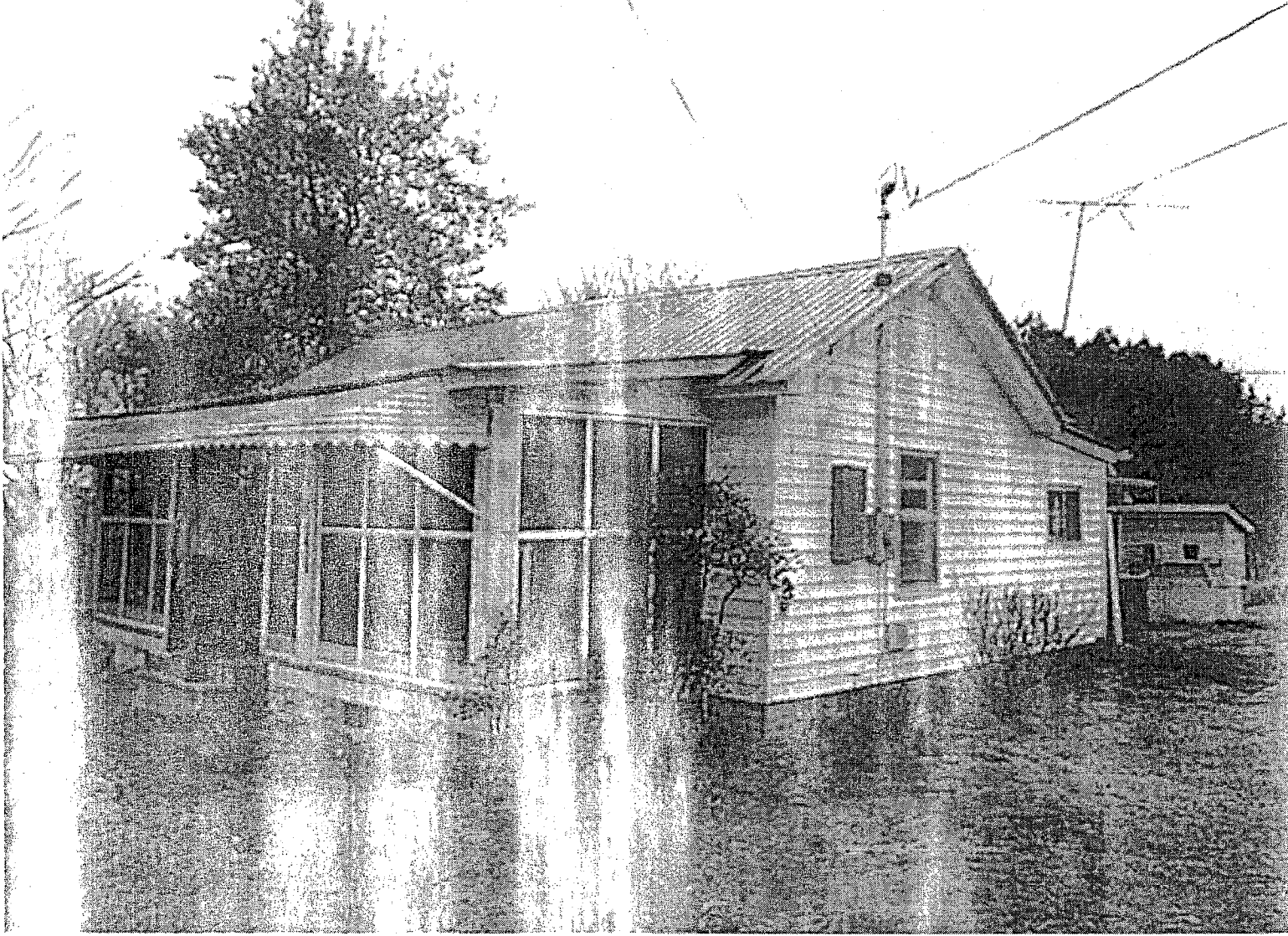
SF- Kirk- 5438 16th St.
SF-00100



SF- Kirk- 5438 16th St.
SF-00101



SF- Kirk- 5438 16th St.
SF-00102



SF- Kirk- 5438 16th St.
SF-00103

State Farm Insurance Companies®



DOCUMENT HAS BEEN TRANSMITTED TO AGENT
August 13, 2004

Birmingham Operations Center
100 State Farm Parkway
P.O. Box 2661
Birmingham, Alabama 35297-0001

|||||

Kirk, Randall C
PO Box 384
Lanett AL 36863-0384

27

Re: Policy Number - 93-CA-6580-0 ^K
Policy Type - Rental Dwelling
Location - 5438 16th St Sw
Lanett AL

Dear Policyholder:

Recently a State Farm representative visited your rental dwelling to obtain additional underwriting information. We believe there are some positive measures that can be taken which could reduce the potential for loss. We would appreciate your assistance in making the following improvements:

1. Replace rear door on dwelling
2. Install door on side entrance.

Your cooperation with the above underwriting requirements within the next 30 days would be appreciated. You are a valued policyholder, and we hope that by giving notice of the condition(s) you need to correct, we can continue to serve your needs. Your agent, or in some cases an underwriting representative, may contact you to review these improvements.

PLEASE NOTE.....our underwriting recommendations do not necessarily include all potential sources of loss. Nor are we guaranteeing that if you comply with them your property will necessarily be considered safe or healthful, or in compliance with any law, rule or regulation.

If you have any questions, please contact your agent.

Sincerely,

Alex Fitts
Commercial Accounts Underwriter
State Farm Fire and Casualty Company

cc: Donny Holley, 01-1520/F102

SF- Kirk- 5438 16th St.
SF-00104

APPLICANT Name: Kirk, Randall C. Address: 5438 16th St SW City: Chambers State: AL ZIP: 36863 Applicant's Social Security Number: 421921071 Date of Birth: 2/15/96 Occupation: Salesman		OFFICE Effective Date: 2/15/96 Term: 12 Months	
Is the applicant having any losses, insured or not, in the past three years (fire, wind, crime, etc.)? No If yes, complete Loss History section.		Home Insurance: <input checked="" type="checkbox"/> Auto <input type="checkbox"/> Fire <input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> None	
Is there a Comprehensive Liability policy in force? No Is the building part of a Homeowners Association? No		UNDERWRITING USE ONLY Approved by: C Date: 2/15/96	
Number of rental dwellings owned by applicant: 3 Any business (including other than the insured) conducted on the premises? No		Describe remodeling in Remarks and give expected completion date: Good	
Does the dwelling have a swimming pool? No Does the dwelling have a hot tub? No Does the dwelling have a fireplace? No		BLDG'S RISK ONLY: Does the applicant own any other locations or conduct any other operations? No	
How long have you owned the applicant? 7 years Date you personally supervised the premises: 1996		FLORIDA AND COASTAL AREAS ONLY: Complete additional questions on the other side	
Year built: 1945 If over 30 yrs. old, complete Over 30 section on back		First occupied: 2/96	
Number of living units in this division: One Type of primary heating fire dept.: Central		Seasonal occupancy? No Is risk inside city limits? No	
Attached I.V. (for I.V. adjustment): Post-1980 Finished basement sq. ft. area: 0		Total R.C. = \$ 500.00	
Special Form: Special Form A. Dwelling: 2000 B. Business Property: 6050 C. Loss of Rents: 0 D. Business Liability: 0 E. Premises Medical Payments: 0		Premium Subtotal: \$ 249.00 Total Premium: \$ 249.00	
Named add'l Insured: Cussey Second Named add'l Insured: 0		BILLING RENEW: <input checked="" type="checkbox"/> Insured <input type="checkbox"/> Mtg. <input type="checkbox"/> Svc. Agt. END: <input checked="" type="checkbox"/> Insured <input type="checkbox"/> Mtg. <input type="checkbox"/> Svc. Agt.	
Date and Time of Application: 2/15/96 Signature: Donny Holley		Date and Time of Application: 2/15/96 Signature: Donny Holley	

LOSSES		DATE OF LOSS	TYPE OF LOSS	TOTAL AMT. OF LOSS

FLORIDA/COASTAL	FLORIDA ONLY:	Is the risk in a windstorm association underwriting area?	Yes No	Does the applicant have a policy with the Florida Windstorm Association?	Yes No	Is risk in a flood area?	Yes No	Does applicant have flood insurance?	Yes No
	COASTAL ONLY:	Is the building located within 1,000 ft. at high tide of the ocean, gulf, bay, harbor, open body of water, or located on an island?	Yes No	If yes, give reason for submission in Remarks. If located on an island, give name of island.					

HOME ALERT	CHECK ALL THAT APPLY:									
	<input checked="" type="checkbox"/> Fire or Smoke Local Alarm	<input type="checkbox"/> Dead Bolt Locks	<input type="checkbox"/> Fire Extinguisher	<input type="checkbox"/> Burglar Alarm System	<input type="checkbox"/> Burglar Alarm reporting to fire dept., dept. or central station	<input type="checkbox"/> Fire or Smoke Detectors with digital or voice-synthesized telephone dialer				
	*ALSO COMPLETE THE FOLLOWING QUESTIONS:									
	Name of system _____ Date installed _____									
Name and address of company that installed the system _____										
Frequency of maintenance and testing _____ System is designed to protect against: Fire Burglary Both Fire and Burglary										
Name and address of central/police station to which system reports _____										

OVER 30	Heating	Age (yrs.) 10	Type	Central	Space	<input checked="" type="checkbox"/> Vented <input type="checkbox"/> Unvented	Other (specify)	Fuel	Gas	Oil	Coal	Other (specify)	Thermostat controlled?	Yes <input checked="" type="checkbox"/> No					
	Wiring	Age (yrs.) 18	Type	Knob-Tube	Romex	Conduit	No. of fuses	15 Amp	20 Amp	30 Amp	Other	No. of circuit breakers	15 Amp	20 Amp	30 Amp	40 Amp	50 Amp	Other	Rating of main box (in amps) 100
	Has any remodeling been done? Yes <input checked="" type="checkbox"/> No																		
	If yes, describe in Remarks: (1) extent of remodeling; (2) cost of improvements; (3) individual or firm that did work; and (4) earliest year updated.																		

REMARKS

27

21

21

16

RECEIVED

SEP 11 1987

SF-Kirk-5438 16th St.

SF-00106



YOUR STATE FARM

RENTAL DWELLING POLICY

FP-8103.3
(5/88)

PRINTED
IN
U.S.A.

SF- Kirk- 5438 16th St.
SF-00107

TABLE OF CONTENTS

DECLARATIONS

Your Name
Location of Your Residence
Policy Period
Coverages
Limits of Liability
Deductibles

	Begins on Page
AGREEMENT	1
DEFINITIONS	1
SECTION I - YOUR PROPERTY	
COVERAGES	2
Coverage A - Dwelling	2
Coverage B - Personal Property	2
Coverage C - Loss of Rents	3
Additional Coverages	3
Inflation Coverage	5
LOSSES INSURED	5
LOSSES NOT INSURED	5
CONDITIONS	7
SECTION II - YOUR LIABILITY	
COVERAGES	9
Coverage L - Business Liability	9
Coverage M - Premises Medical Payments	10
EXCLUSIONS	10
ADDITIONAL COVERAGES	13
CONDITIONS	13
SECTION I AND II - CONDITIONS	14
OPTIONAL PROVISIONS	15

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FP-8103.3
(5/88)

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SF- Kirk- 5438 16th St.
SF-00108

RENTAL DWELLING POLICY - SPECIAL FORM 3

AGREEMENT

We agree to provide the insurance described in this policy.
 You agree to pay premiums when due and comply with the provisions of this policy.

DEFINITIONS

"You" and "your" mean the "named insured" shown in the **Declarations**. Your spouse is included if a resident of your household. "We", "us" and "our" mean the Company shown in the **Declarations**.

Certain words and phrases are defined as follows:

1. "**bodily injury**" means bodily harm, sickness or disease. This includes required care, loss of services and death resulting therefrom. **Bodily injury** does not include any of the following which are communicable: disease, bacteria, parasite, virus, or other organism, any of which are transmitted by any **insured** to any other person. It also does not include the exposure to any such disease, bacteria, parasite, virus, or other organism by any **insured** to any other person.
2. "**contract**" means any written **contract** or agreement wherein the **named insured** has expressly assumed liability for damages to which this policy applies.
3. "**Declarations**" means the policy **Declarations**, any amended **Declarations**, the most recent renewal notice or certificate, an Evidence of Insurance form, or any endorsement changing any of these.
4. "**insured**" means:
 - a. if the **named insured** is designated in the **Declarations** as an individual and is a sole proprietor, the **named insured** and spouse;
 - b. if the **named insured** is designated in the **Declarations** as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof;
 - c. if the **named insured** is designated in the **Declarations** as other than an individual, partnership or joint venture, the organization trustees, directors or governors or stockholder thereof while acting within the scope of their duties;

- d. any employee of the **named insured** while acting within the scope of that employment;
- e. any person or organization while acting as real estate manager for the **named insured**.

The insurance afforded applies separately to each **insured** against whom claim is made, or suit is brought, except with respect to the limit of our Company's liability.

This insurance does not apply to **bodily injury** or **personal injury** or **property damage** arising out of the conduct of any partnership or joint venture which is not designated in this policy as a **named insured**.

5. "**insured premises**" means:

- a. the **residence premises**;
- b. one or two family premises of which you acquire ownership or control and for which you report your intention to insure under this policy within 30 days after acquisition;
- c. the ways immediately adjoining on land; and
- d. one or two family dwelling premises alienated by any **insured** if possession has been given to others.

6. "**motor vehicle**", when used in Section II of this policy, means:

- a. a motorized land vehicle designed for travel on public roads or subject to motor vehicle registration. A motorized land vehicle in dead storage on an **insured premises** is not a **motor vehicle**;
- b. a trailer or semi-trailer designed for travel on public roads and subject to motor vehicle registration. A boat, camp, home or utility trailer not being towed by or carried on a vehicle included in 6.a. is not a **motor vehicle**;

- c. a motorized golf cart, snowmobile, or other motorized land vehicle owned by any **insured** and designed for recreational use off public roads, while off an **insured premises**. A motorized golf cart while used for golfing purposes is not a **motor vehicle**;
 - d. a motorized bicycle, tricycle or similar type of equipment owned by any **insured** while off an **insured premises**;
 - e. any vehicle while being towed by or carried on a vehicle included in 6.a., 6.b., 6.c., or 6.d.
7. "**named insured**" means the person or organization named in the **Declarations** of this policy.
 8. "**occurrence**", when used in Section II of this policy, means an accident, including exposure to conditions, which results in:
 - a. **bodily injury**;
 - b. **property damage**; or

c. **personal injury**;

during the policy period. Repeated or continuous exposure to the same general conditions is considered to be one **occurrence**.

9. "**personal injury**" means injury arising out of one or more of the following offenses:
 - a. false arrest, detention or imprisonment or malicious prosecution;
 - b. libel, slander or defamation of character; or
 - c. invasion of privacy, wrongful eviction or wrongful entry.
10. "**property damage**" means physical damage to or destruction of tangible property, including loss of use of this property. Theft or conversion of property by any **insured** is not considered to be **property damage**.
11. "**residence premises**" means the one or two family dwelling, other structures, and grounds which is shown in the **Declarations**.

SECTION I - COVERAGES

COVERAGE A - DWELLING

We cover:

1. the dwelling on the **residence premises** shown in the **Declarations** used principally as a private residence, including structures attached to the dwelling;
2. materials and supplies located on or adjacent to the **residence premises** for use in the construction, alteration or repair of the dwelling or other structures on the **residence premises**;
3. wall-to-wall carpeting attached to the dwelling on the **residence premises**; and
4. outdoor antennas.

Except as specifically provided in the **SECTION I, ADDITIONAL COVERAGES**, for **Land**, we do not cover land or any costs required to replace, rebuild, stabilize or otherwise restore the land.

Dwelling Extension. We cover other structures on the **residence premises**, separated from the dwelling by clear

space. Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.

We do not cover other structures:

1. not permanently attached to or otherwise forming a part of the realty;
2. used in whole or in part for commercial, manufacturing or farming purposes; or
3. rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

COVERAGE B - PERSONAL PROPERTY

We cover personal property owned or used by any **insured** which is rented or held for rental with the **residence premises** or used for the maintenance of the **residence premises**. This coverage applies only while the personal property is on the **residence premises** or temporarily off premises for repairs.

Property Not Covered. We do not cover:

1. articles separately described and specifically insured in this or any other insurance;
2. animals, birds or fish;
3. any engine or motor propelled vehicle or machine, including the parts, designed for movement on land. We do cover those used solely for the service of the **residence premises** and not licensed for use on public highways;
4. watercraft, including motors, equipment and accessories;
5. aircraft and parts;
6. outdoor signs.

COVERAGE C - LOSS OF RENTS

The limit of liability for Coverage C is the total limit for all the following coverages.

1. **Fair Rental Value.** If a Loss Insured causes that part of the **residence premises** rented to others or held for rental by you to become uninhabitable, we cover its fair rental value. Payment shall be for the shortest time required to repair or replace the part of the premises rented or held for rental but not exceeding 12 consecutive months from the date of loss. This period of time is not limited by expiration of this policy. Fair rental value shall not include any expense that does not continue while that part of the **residence premises** rented or held for rental is uninhabitable.
2. **Prohibited Use.** If a civil authority prohibits you from use of the **residence premises** as a result of direct damage to neighboring premises by a Loss Insured in this policy, we cover any resulting Fair Rental Value loss for a period not exceeding two weeks during which use is prohibited.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. **Debris Removal.** We will pay the reasonable expense incurred by you in the removal of debris of covered property provided coverage is afforded for the peril

causing the loss. Debris removal expense is included in the limit of liability applying to the damaged property. When the amount payable for the actual damage to the property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense.

2. **Reasonable Repairs.** We will pay the reasonable cost incurred by you of repairing damage to covered property necessary to protect the property from further damage or loss, provided coverage is afforded for the peril causing the loss. This coverage does not increase the limit of liability applying to the property being repaired.
3. **Trees, Shrubs and Other Plants.** We cover outdoor trees, shrubs, plants or lawns, on the **residence premises**, for loss caused by the following Losses Insured: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism or malicious mischief or Theft. The limit of liability for this coverage shall not exceed 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants and lawns nor more than \$500 for any one tree, shrub or plant. This coverage may increase the limit of liability otherwise applicable. We do not cover property grown for business purposes.
4. **Fire Department Service Charge.** We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Loss Insured. No deductible applies to this coverage. This coverage may increase the limit otherwise applicable.
5. **Property Removed.** Covered property, while being removed from a premises endangered by a Loss Insured, is covered for direct loss from any cause. This coverage also applies to the property for up to 30 days while removed. We will also pay for reasonable expenses incurred by you for the removal and return of the covered property. This coverage does not increase the limit applying to the property being removed.
6. **Personal Effects.** We will pay up to \$500 for loss at the **residence premises** caused by a Loss Insured to personal effects of others while such property is in your

care, custody or control. This coverage is subject to the limitations and exclusions applicable to Coverage B - Personal Property. This coverage is limited to \$100 per person and does not increase the limit of liability applying to Coverage B - Personal Property.

7. **Burglary.** We will pay for loss of personal property owned or used by any insured which is rented or held for rental with the residence premises, when the loss is from a known location within a building on the residence premises when it is probable that the property has been stolen and there is visible evidence of forcible entry to or forcible exit from that building. This coverage does not increase the limit of liability applying to Coverage B - Personal Property.

8. **Arson Reward.** We will pay \$1,000 for information which leads to an arson conviction in connection with a fire loss to property covered by this policy. This coverage may increase the limit otherwise applicable. However, the \$1,000 limit shall not be increased regardless of the number of persons providing information.

9. **Land.** We will pay up to \$10,000 for the cost required to replace, rebuild, stabilize or otherwise restore the land necessary to support the insured dwelling sustaining a covered loss. This may increase the limit applying to the property.

10. **Volcanic Action.** We cover direct physical loss to a covered building or covered property contained in a building resulting from the eruption of a volcano when the loss is directly and immediately caused by:

- a. volcanic blast or airborne shock waves;
- b. ash, dust or particulate matter; or
- c. lava flow.

We will also pay for the removal of that ash, dust or particulate matter which has caused direct physical loss to a covered building or covered property contained in a building.

One or more volcanic eruptions that occur within a 72-hour period shall be considered one volcanic eruption.

This coverage does not increase the limits applying to the damaged property.

11. **Collapse.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire extinguishing equipment, volcanic action, falling objects, weight of ice, snow or sleet, water damage, breakage of building glass, all only as insured against in this policy;

(1) falling objects does not include loss of or damage to:

(a) personal property in the open; or

(b) the interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object;

(2) water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam;

b. hidden decay;

c. hidden insect or vermin damage;

d. weight of contents, equipment, animals or people;

e. weight of ice, snow, sleet or rain which collects on a roof; or

f. use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items b., c., d., e., and f. unless the loss is a direct result of the collapse of a building.

SF- Kirk- 5438 16th St.

SF-00112

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit applying to the damaged property.

INFLATION COVERAGE

The limits of liability shown in the **Declarations** for Coverages A and B will be increased at the same rate as the increase in the Inflation Coverage Index shown in the **Declarations**.

To find the limits on a given date:

1. divide the Index on that date by the Index as of the effective date of this Inflation Coverage provision; then
2. multiply the resulting factor by the limits of liability for Coverage A and Coverage B separately.

The limits of liability will not be reduced to less than the amounts shown in the **Declarations**.

If during the term of this policy, the Coverage A limit of liability is changed at your request, the effective date of this Inflation Coverage provision is changed to coincide with the effective date of such change.

SECTION I - LOSSES INSURED

COVERAGE A - DWELLING AND COVERAGE B - PERSONAL PROPERTY

We insure for accidental direct physical loss to the property described in Coverage A and Coverage B, except as pro-

vided in Section I - Losses Not Insured.

SECTION I - LOSSES NOT INSURED

1. We do not insure for loss to the property described in Coverage A and Coverage B either consisting of, or directly and immediately caused by, one or more of the following:
 - a. collapse, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES** for **Collapse**;
 - b. freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed unless you have used reasonable care to:
 - (1) maintain heat in the building; or
 - (2) shut off the water supply and drain the system and appliances of water;
 - c. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock;

- d. theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
- e. theft of any property which is not actually part of any building or structure;
- f. mysterious disappearance;
- g. vandalism and malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
- h. continuous or repeated seepage or leakage of water or steam from a:
 - (1) heating, air conditioning or automatic fire protective sprinkler system;
 - (2) household appliance; or
 - (3) plumbing system, including from, within or around any shower stall, shower bath, tub installation, or other plumbing fixture, including their walls, ceilings or floors;

SF- Kirk- 5438 16th St.
SF-00113

which occurs over a period of time and results in deterioration, rust, mold, or wet or dry rot. If loss is caused by water or steam not otherwise excluded, we will cover the cost of tearing out and replacing any part of the building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which the water or steam escaped;

- i. wear, tear, marring, scratching, deterioration, inherent vice, latent defect and mechanical breakdown;
- j. rust, mold, or wet or dry rot;
- k. contamination;
- l. smog, smoke from agricultural smudging or industrial operations;
- m. settling, cracking, shrinking, bulging, or expansion of pavements, patios, foundation, walls, floors, roofs or ceilings;
- n. birds, vermin, rodents, insects or domestic animals. We do cover the breakage of glass or safety glazing material which is a part of a building, when caused by birds, vermin, rodents, insects or domestic animals.

However, we do insure for any ensuing loss from items a. through n. unless the loss is itself a Loss Not Insured by this Section.

- 2. We do not insure under any coverage for any loss which would not have occurred in the absence of one or more of the following excluded events. We do not insure for such loss regardless of: (a) the cause of the excluded event; or (b) other causes of the loss; or (c) whether other causes acted concurrently or in any sequence with the excluded event to produce the loss.
 - a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.
 - b. **Earth Movement**, meaning the sinking, rising, shifting, expanding, or contracting of earth, all whether combined with water or not. Earth movement includes but is not limited to earthquake,

landslide, mudflow, sinkhole, subsidence and erosion. Earth movement also includes volcanic explosion or lava flow, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES** for **Volcanic Action**.

We do insure for any direct loss by fire, explosion other than explosion of a volcano, theft, or breakage of glass or safety glazing materials resulting from earth movement.

c. **Water Damage**, meaning:

- (1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) water which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
- (3) natural water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

However, we do insure for direct loss by fire, explosion, or theft resulting from water damage.

- d. **Neglect**, meaning neglect of the insured to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a Loss Insured.
- e. **War**, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- f. **Nuclear Hazard**, meaning any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. Loss caused by

the nuclear hazard shall not be considered loss caused by fire, explosion, or smoke. However, we do insure for direct loss by fire resulting from the nuclear hazard.

3. We do not insure under any coverage for any loss consisting of one or more of the items below. Further, we do not insure for loss described in paragraphs 1. and 2. immediately above regardless of whether one or more of the following: (a) directly or indirectly cause, contribute to or aggravate the loss; or (b) occur before, at the same time, or after the loss or any other cause of the loss:
 - a. conduct, act, failure to act, or decision of any person, group, organization or governmental body whether intentional, wrongful, negligent, or without fault;

- b. defect, weakness, inadequacy, fault or unsoundness in:

- (1) planning, zoning, development, surveying, siting;
- (2) design, specifications, workmanship, construction, grading, compaction;
- (3) materials used in construction or repair; or
- (4) maintenance;

of any property (including land, structures, or improvements of any kind) whether on or off the residence premises.

However, we do insure for any ensuing loss from items a. and b. unless the ensuing loss is itself a Loss Not Insured by this Section.

SECTION I - CONDITIONS

1. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable:
 - a. to the insured for an amount greater than the insured's interest; nor
 - b. for more than the applicable limit of liability.
2. **Your Duties After Loss.** In case of a loss to which this insurance may apply, you shall see that the following duties are performed:
 - a. give immediate notice to us or our agent, and in case of theft, vandalism, or malicious mischief, also to the police;
 - b. protect the property from further damage or loss, make reasonable and necessary repairs required to protect the property, and keep an accurate record of repair expenditures;
 - c. prepare an inventory of damaged personal property showing in detail, the quantity, description, actual cash value and amount of loss. Attach to the inventory all bills, receipts and related documents that substantiate the figures in the inventory;

- d. as often as we reasonably require:
 - (1) exhibit the damaged property;
 - (2) provide us with records and documents we request and permit us to make copies; and
 - (3) submit to examinations under oath and subscribe the same;
- e. submit to us, within 60 days after the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the time and cause of loss;
 - (2) interest of the insured and all others in the property involved and all encumbrances on the property;
 - (3) other insurance which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of this policy;
 - (5) specifications of any damaged building and detailed estimates for repair of the damage;
 - (6) an inventory of damaged personal property described in 2.c.;
 - (7) records supporting the fair rental value loss.

SF- Kirk- 5438 16th St.
SF-00115

3. **Loss Settlement.** Covered property losses are settled as follows:
 - a. Personal property and structures that are not buildings at actual cash value, up to the applicable limit of liability, at the time of loss. There may be deduction for depreciation. We will not pay an amount exceeding that necessary to repair or replace;
 - b. Carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, at actual cash value, up to the applicable limit of liability, at the time of loss. We will not pay an amount exceeding that necessary to repair or replace;
 - c. Buildings under Coverage A at replacement cost without deduction for depreciation, subject to the following:
 - (1) We will not pay more than the \$10,000 limit on **Land** as provided in **SECTION I, ADDITIONAL COVERAGES.**
 - (2) We will pay the cost of repair or replacement, without deduction for depreciation, but not exceeding the smallest of the following amounts:
 - (a) the limit of liability under this policy applying to the building;
 - (b) the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
 - (c) the amount actually and necessarily spent to repair or replace the damaged building.
 - (3) We will pay the actual cash value of the damage to the buildings, up to the policy limit, until actual repair or replacement is completed.
 - (4) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis and then make claim within 180 days after loss for any additional liability on a replacement cost basis.
4. **Loss to a Pair or Set.** In case of loss to a pair or set, we may elect to:
 - a. repair or replace any part to restore the pair or set to its value before the loss; or
 - b. pay the difference between actual cash value of the property before and after the loss.
5. **Glass Replacement.** Loss for damage to glass caused by a Loss Insured shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.
6. **Appraisal.** If you and we fail to agree on the amount of loss, either one can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the **residence premises** is located to select an umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.
7. **Other Insurance.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.
8. **Suit Against Us.** No action shall be brought unless there has been compliance with the policy provisions and the action is started within one year after the date of loss or damage.
9. **Our Option.** We may repair or replace any part of the property damaged or stolen with equivalent property.

Any property we pay for or replace becomes our property.

10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- a. reach agreement with you;
- b. there is an entry of a final judgment; or
- c. there is a filing of an appraisal award with us.

11. **Abandonment of Property.** We need not accept any property abandoned by any insured.

12. **Mortgage Clause.** The word "mortgagee" includes trustee.

- a. If a mortgagee is named in this policy, any loss payable under Coverage A shall be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment shall be the same as the order of precedence of the mortgages.
- b. If we deny your claim, that denial shall not apply to a valid claim of the mortgagee, if the mortgagee:
 - (1) notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - (2) pays any premium due under this policy on demand if you have neglected to pay the premium;
 - (3) submits a signed, sworn statement of loss within 60 days after receiving notice from us of

your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

c. If this policy is cancelled by us, the mortgagee shall be notified at least 10 days before the date cancellation takes effect.

d. If we pay the mortgagee for any loss and deny payment to you:

(1) we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

(2) at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we shall receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

e. Subrogation shall not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this policy.

14. **Intentional Acts.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then this policy is void and we will not pay you or any other insured for this loss.

SECTION II - LIABILITY COVERAGES

COVERAGE L - BUSINESS LIABILITY

If a claim is made or a suit is brought against any insured for damages because of **bodily injury, personal injury, or property damage** to which this coverage applies, caused by an **occurrence**, and which arises from the ownership, maintenance, or use of the **insured premises**, we will:

- 1. pay up to our limit of liability for the damages for which the insured is legally liable; and

- 2. provide a defense at our expense by counsel of our choice. We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suit ends when the amount we pay for damages, to effect settlement or satisfy a judgment resulting from the **occurrence**, equals our limit of liability.

SF- Kirk- 5438 16th St.

SF-00117

The total limit of the Company's liability for all occurrences in any one policy year shall not exceed the annual aggregate limit shown in the **Declarations** for Coverage L - Business Liability.

COVERAGE M - PREMISES MEDICAL PAYMENTS

We will pay the necessary medical expenses incurred or medically ascertained within three years from the date of

an accident causing **bodily injury** which arises out of a condition on the **insured premises** or for which the **insured** is provided **bodily injury** liability coverage under this policy. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

SECTION II - EXCLUSIONS

1. Coverage L - Business Liability and Coverage M - Premises Medical Payments do not apply to:

a. bodily injury, personal injury, or property damage:

- (1) which is either expected or intended by an insured; or
- (2) to any person or property which is the result of willful and malicious acts of an insured;

b. bodily injury, personal injury, or property damage arising out of the rendering or failing to render professional services;

c. bodily injury, personal injury, or property damage arising out of the ownership, maintenance, use, loading or unloading of:

- (1) aircraft;
- (2) any **motor vehicle** owned or operated by, or rented or loaned to any insured; or
- (3) any watercraft owned by or operated by, or rented or loaned to any insured;

d. bodily injury, personal injury, or property damage arising out of:

- (1) the entrustment by any insured to any person;
- (2) the negligent supervision by any insured of any person;
- (3) any liability statutorily imposed on any insured; or
- (4) any liability assumed through an unwritten or written agreement by any insured;

with regard to the ownership, maintenance or use of any aircraft, watercraft, or **motor vehicle** (or any other motorized land conveyance) which is not covered under Section II of this policy;

e. bodily injury, personal injury, or property damage caused directly or indirectly by war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental;

f. bodily injury, personal injury, or property damage arising out of premises, other than the insured premises, or to liability assumed by the insured under any contract or agreement relating to such premises;

g. to bodily injury or property damage for which the insured may be held liable:

- (1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages; or
- (2) if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - (a) by, or because of the violation of any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverages; or
 - (b) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or

which causes or contributes to the intoxication of any person;

but part (b) of this exclusion does not apply with respect to liability of the insured or his indemnitee as an owner or lessor described in (2) above;

h. the legal liability of any insured to:

- (1) any person who is in the care of any insured because of child care services provided by or at the direction of:

- (a) any insured;
- (b) any employee of any insured; or
- (c) any other person actually or apparently acting on behalf of any insured;

- (2) any person who makes a claim because of bodily injury or property damage to any person who is in the care of any insured because of child care services provided by or at the direction of:

- (a) any insured;
- (b) any employee of any insured; or
- (c) any other person actually or apparently acting on behalf of any insured;

i. bodily injury or property damage arising out of the actual, alleged or threatened discharge, dispersal, spill, release or escape of pollutants:

- (1) at or from premises owned, rented or occupied by the named insured;
- (2) at or from any site or location used by or for the named insured or others for the handling, storage, disposal, processing or treatment of waste;
- (3) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the named insured or any person or organization for whom the named insured may be legally responsible; or

- (4) at or from any site or location on which the named insured, employee or any contractor or subcontractor working directly or indirectly on behalf of the named insured is performing operations:

- (a) if the pollutants are brought on or to the site or location in connection with such operations; or
- (b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Subparagraphs (1) and (4)(a) of this exclusion do not apply to bodily injury or property damage caused by heat, smoke or fumes which result from a hostile fire or poisoning or asphyxiation due to escape of fumes from a furnace or flue because of a malfunction of the furnace or flue.

In addition, Coverage L and Coverage M do not apply to loss, cost or expense arising out of any governmental direction or request that the named insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants;

As used in this exclusion:

"hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

"waste" includes materials to be recycled, reconditioned or reclaimed.

- j. bodily injury to an employee of the insured arising out of and in the course of employment by the insured or the spouse, child, parent, brother or sister of that employee as a consequence of employment of that employee by the insured.

This exclusion applies:

- (1) whether the insured may be liable as an employer or in any other capacity; and

SF- Kirk- 5438 16th St.

SF-00119

FORM 3

- (2) to any obligation to share damages with or re-pay someone else who must pay damages because of the injury;
 - k. **bodily injury** to you or any **insured** and if residents of your household:
 - (1) your relatives;
 - (2) any other person under the age of 21 who is in the care of an **insured**.
2. **Coverage L - Business Liability**, does not apply to:
- a. liability:
 - (1) for your share of any loss assessment charged against all members of an association of property owners; or
 - (2) assumed under any unwritten contract or agreement, or by contract or agreement in connection with any business of the **insured** other than the rental of the **insured premises**;
 - b. **property damage** to property owned by any **insured**;
 - c. **property damage** to property rented to, occupied or used by or in the care of the **insured**;
 - d. **bodily injury** or **personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by the **insured** under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - e. **bodily injury, personal injury, or property damage** for which any **insured** under this policy is also an **insured** under a nuclear energy liability policy or would be an **insured** but for its termination upon exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors;

- f. **personal injury** caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of any **insured**;
 - g. **personal injury** sustained by any person as a result of an offense directly or indirectly related to the employment of the person by the **insured**;
 - h. **personal injury** arising out of any publication or utterance in item b. of the definition of **personal injury**:
 - (1) if the first injurious publication or utterance of the same or similar material by or on behalf of the **insured** was made prior to the effective date of this insurance; or
 - (2) concerning any business or services made by or at the direction of any **insured** with knowledge of the falsity;
 - i. **property damage** or **personal injury** to premises you sell, give away or abandon, if the **property damage**, or **personal injury** arises out of those premises.
3. **Coverage M - Premises Medical Payments** does not apply to **bodily injury**:
- a. to any person, eligible to receive any benefits required to be provided or voluntarily provided under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - b. from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these;
 - c. to any **insured**, any tenant or other person regularly residing on the **insured premises** or to any employees of any of the foregoing if the **bodily injury** arises out of or in the course of their employment;
 - d. to any person engaged in maintenance and repair of the **insured premises** or alteration, demolition or new construction at such premises.

SECTION II - ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses. We pay:

- a. expenses incurred by us and costs taxed against any **insured** in any suit we defend;
- b. premiums on bonds required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage L. We are not obligated to apply for or furnish any bond;
- c. reasonable expenses incurred by any **insured** at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day for assisting

us in the investigation or defense of any claim or suit;

- d. prejudgment interest awarded against the **insured** on that part of the judgment we pay; and
 - e. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.
- 2. First Aid Expenses.** We will pay expenses for first aid to others incurred by any **insured** for **bodily injury** covered under this policy. We will not pay for first aid to you or any other **insured**.

SECTION II - CONDITIONS

- 1. Limit of Liability.** The Coverage L limit is shown in the **Declarations**. This is our limit for all damages from each **occurrence** regardless of the number of **insureds**, claims made or persons injured.

The Coverage M limit is shown in the **Declarations**. This is our limit for all medical expense payable for **bodily injury** to one person as the result of one accident.

- 2. Severability of Insurance.** This insurance applies separately to each **insured**. This condition shall not increase our limit of liability for any one **occurrence**.

- 3. Duties After Loss.** In case of an accident or **occurrence**, the **insured** shall perform the following duties that apply. You shall cooperate with us in seeing that these duties are performed:

- a. give written notice to us or our agent as soon as practicable, which sets forth:
 - (1) the identity of this policy and **insured**;
 - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3) names and addresses of any claimants and available witnesses;

- b. immediately forward to us every notice, demand, summons or other process relating to the accident or **occurrence**;

- c. at our request, assist in:

- (1) making settlement;
- (2) the enforcement of any right of contribution or indemnity against any person or organization who may be liable to any **insured**;
- (3) the conduct of suits and attend hearings and trials;
- (4) securing and giving evidence and obtaining the attendance of witnesses;

- d. the **insured** shall not, except at the **insured's** own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of the **bodily injury**.

- 4. Duties of an Injured Person - Coverage M - Premises Medical Payments.** The injured person, or, when appropriate, someone acting on behalf of that person, shall:

- a. give us written proof of claim, under oath if required, as soon as practicable;
- b. execute authorization to allow us to obtain copies of medical reports and records; and

- c. submit to physical examination by a physician selected by us when and as often as we reasonably require.
- 5. **Payment of Claim - Coverage M - Premises Medical Payments.** Payment under this coverage is not an admission of liability by any insured or us.
- 6. **Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions.
No one shall have any right to join us as a party to any action against any insured. Further, no action with re-

spect to Coverage L shall be brought against us until the obligation of the insured has been determined by final judgment or agreement signed by us.

- 7. **Bankruptcy of any Insured.** Bankruptcy or insolvency of any insured shall not relieve us of any of our obligations under this policy.
- 8. **Other Insurance - Coverage L - Business Liability.** This insurance is excess over any other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND SECTION II - CONDITIONS

- 1. **Policy Period.** This policy applies only to loss under Section I or **bodily injury, personal injury, or property damage** under Section II which occurs during the period this policy is in effect.
- 2. **Concealment or Fraud.** This policy is void as to you and any other insured, if you or any other insured under this policy has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, whether before or after a loss.
- 3. **Liberalization Clause.** If we adopt any revision which would broaden coverage under this policy without additional premium, within 60 days prior to or during the period this policy is in effect, the broadened coverage will immediately apply to this policy.
- 4. **Waiver or Change of Policy Provisions.** A waiver or change of any provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination shall not waive any of our rights.
- 5. **Cancellation.**
 - a. You may cancel this policy at any time by notifying us in writing of the date cancellation is to take effect. We may waive the requirement that the notice be in writing by confirming the date and time of cancellation to you in writing.
 - b. We may cancel this policy only for the reasons stated in this condition by notifying you in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to

you at your mailing address shown in the **Declarations**. Proof of mailing shall be sufficient proof of notice:

- (1) When you have not paid the premium, whether payable to us or to our agent or under any finance or credit plan, we may cancel at any time by notifying you at least 10 days before the date cancellation takes effect.
- (2) When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by notifying you at least 10 days before the date cancellation takes effect.
- (3) When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if there has been a material misrepresentation of fact which, if known to us, would have caused us not to issue this policy or if the risk has changed substantially since the policy was issued. We may cancel this policy by notifying you at least 30 days before the date cancellation takes effect.
- (4) When this policy is written for a period longer than one year, we may cancel for any reason at anniversary by notifying you at least 30 days before the date cancellation takes effect.
- c. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded. When you request can-

cancellation, the return premium will be based on our rules for such cancellation. The return premium may be less than a full pro rata refund. When we cancel, the return premium will be pro rata.

- d. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.
6. **Non-Renewal.** We may elect not to renew this policy. If we elect not to renew, a written notice will be delivered to you, or mailed to you at your mailing address shown in the **Declarations**. The notice will be mailed or delivered at least 30 days before the expiration date of this policy. Proof of mailing shall be sufficient proof of notice.
7. **Assignment.** Assignment of this policy shall not be valid unless we give our written consent.
8. **Subrogation.** Any **insured** may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, any **insured** shall sign and deliver all related papers and cooperate with us in any reasonable manner.

Subrogation does not apply under Section II to Premises Medical Payments.

9. **Death.** If any person named in the **Declarations** or the spouse, if a resident of the same household, dies:

- a. we insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under this policy at the time of death;
- b. **insured** includes with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

10. **Conformity to State Law.** When a policy provision is in conflict with the applicable law of the State in which this policy is issued, the law of the State will apply.

11. **Inspection and Audit.** We shall be permitted but not obligated to inspect your property and operations at any time. However, our right to inspect or our actual inspection and report shall not constitute an undertaking on your behalf or for your benefit or the benefit of others to determine or warrant that the property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the policy period and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

OPTIONAL POLICY PROVISIONS

Each Optional Provision applies only as indicated in the **Declarations** or Extension Certificate.

Option AI - Named Additional Insured. The definition of **insured** in this policy includes the person or organization named in the **Declarations** as an additional insured or whose name is on file with us with respect to:

1. Section I: **Coverage A - Dwelling;**
2. Section II: **Coverage L - Business Liability and Coverage M - Premises Medical Payments** but only with respect to the **residence premises**. This coverage does not apply to **bodily injury** to any employee arising out of or in the course of the employee's employment by the person or organization.

This option applies only with respect to the location shown in the **Declarations**.

Option RC - Replacement Cost - Contents. Under **SECTION I - CONDITIONS**, items a. and b. of the Loss Settlement Condition are replaced with the following:

- a. (1) Fences and the following personal property at actual cash value at the time of loss:
 - (a) antiques, fine arts, paintings, statuary and similar articles which by their inherent nature cannot be replaced with new articles;
 - (b) articles whose age or history contribute substantially to their value including, but

SF- Kirk- 5438 16th St.

SF-00123

FORM 3

not limited to, memorabilia, souvenirs and collectors items;

(c) property not useful for its intended purpose.

(2) We will not pay:

(a) an amount exceeding that necessary to repair or replace the property; or

(b) an amount in excess of the limit of liability applying to the property.

b. Other personal property, carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, and other structures (except fences) that are not buildings under Dwelling Extension, at the cost of repair or replacement at

the time of loss without deduction for depreciation, subject to the following:

(1) We will pay the cost of repair or replacement but not exceeding the smallest of the following amounts:

(a) replacement cost at time of loss;

(b) the full cost of repair;

(c) any special limit of liability described in the policy; or

(d) any applicable Coverage A or Coverage B limit of liability.

(2) Loss to property not repaired or replaced within one year after the loss will be settled on an actual cash value basis.

IN WITNESS WHEREOF, this Company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly authorized Agent of this Company at the agency hereinbefore mentioned.

Kim M. Brunner

Secretary

Edward B. Rust, Jr.

President

The Board of Directors, in accordance with Article VI(c) of this Company's Articles of Incorporation, may from time to time distribute equitably to the holders of the participating policies issued by said Company such sums out of its earnings as in its judgment are proper.

SF- Kirk- 5438 16th St.
SF-00124

State Farm Fire and Casualty Company

Home Office, Bloomington, Illinois 61710



Birmingham Operations Center
100 State Farm Parkway
P.O. Box 2661
Birmingham, Alabama 35297-0001

CERTIFICATE

I, the undersigned, do hereby certify that I am custodian of the records pertaining to the issuance of policies issued by the Personal Lines Division of State Farm Fire & Casualty Company, a stock company with home offices in Bloomington, Illinois.

Based on our available records, I further certify that the attached coverage summary dated JAN 05, 2006 represents a true copy of the policy provisions and coverages as of DEC 13, 2005 for policy 93-GJ-1742-3 issued to KIRK, RANDALL C
PO BOX 384
LANETT AL 36863-0384

LOCATION: 911 N 12TH ST
LANETT AL 36863-1743

Bill Lovell

Bill Lovell
Underwriting Section Manager
State Farm Fire & Casualty Company
Birmingham Operation Center
Birmingham AL 35297-0001

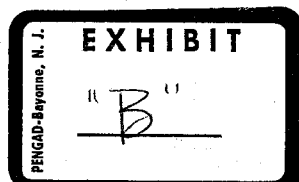
State of Alabama

County of Jefferson

Subscribed and sworn to before me this 15th day of October, 2007

Constance G. Hester
Notary Public

My commission expires:



PUBLIC STATE OF ALABAMA AT LARGE
COMMISSION EXPIRES: July 5, 2011
THRU NOTARY PUBLIC UNDERWRITERS

SF- Kirk- 911 12 St.
SF-00061



State Farm Fire and Casualty Company
A Stock Company With Home Offices in Bloomington, Illinois
100 State Farm Parkway
Birmingham, AL 35297-0001
Named Insured B-09-1520-F282 F R

KIRK, RANDALL C
PO BOX 384
LANETT AL 36863-0384

DECLARATIONS PAGE

Policy Number	93-GJ-1742-3	
Policy Period	Effective Date	Expiration Date
12 Months	DEC 13 2005	DEC 13 2006
The policy period begins and ends at 12:01 am standard time at the residence premises.		

**RENTAL DWELLING POLICY- SPECIAL FORM 3**

Automatic Renewal - If the policy period is shown as 12 months, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Location of Premises
911 N 12TH ST
LANETT AL 36863-1743

Named Insured: Individual

Coverages & Property	Limits of Liability	Inflation Coverage Index: 201.0
Section I		Deductibles - Section I
A Dwelling	\$ 55,500	Basic \$ 1,000
B Dwelling Extension	\$ 5,550	
C Personal Property	\$ 2,775	
C Loss of Rents	Actual Loss	
Section II		In case of loss under this policy, the deductibles will be applied per occurrence and will be deducted from the amount of the loss. Other deductibles may apply - refer to policy.
L Business Liability (Each Occurrence)	\$ 300,000	
M Annual Aggregate	\$ 600,000	
M Medical Payments (Each Person)	\$ 1,000	
Forms, Options, & Endorsements		Policy Premium \$ 362.00
Special Form 3	FP-8103.3	Discount Applied:
Fungus (Including Mold) Excl	FE-5722	Home Alert
Amendatory Subrogation Cond	FE-5841	
Debris Removal Endorsement	FE-7540	
Bodily Injury Amended Defin	FE-8654	

Other limits and exclusions may apply - refer to your policy

Your policy consists of this page, any endorsements and the policy form. Please keep these together.

FP-8008C

1339 251 I
N 1S

Prepared JAN 05 2006

SF- Kirk- 911 12 St.
SF-00062

DONNY HOLLEY
334-644-2111

555-7020.1 Rev. 10-2002 (e1103)



93-GJ-1742-3 (1340)

FE-5722

FUNGUS (INCLUDING MOLD) EXCLUSION ENDORSEMENT

DEFINITIONS

In all policies, the following definition is added:

"fungus" means any type or form of fungi, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

SECTION I - LOSSES NOT INSURED

In SPECIAL FORM 3 policies only, item 1.j. is replaced by the following:

j. rust, or wet or dry rot;

The following is added to item 2. of Losses Not Insured in SPECIAL FORM 3 policies or under Losses Not Insured in BASIC MODIFIED REPLACEMENT COST - FORM 1 policies:

Fungus, including the growth, proliferation, spread or presence of fungus, and including:

- (1) any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the described premises or location of the rebuilding, repair or replacement of that property, by fungus;
- (2) any remediation of fungus, including the cost or expense to:
 - (a) remove or clean the fungus from covered property or to repair, restore or replace that property;
 - (b) tear out and replace any part of the building or other property as needed to gain access to the fungus;
 - (c) contain, treat, detoxify, neutralize or dispose of or in any way respond to or assess the effects of the fungus; or

(d) remove any property to protect it from the presence of or exposure to fungus;

(3) the cost of any testing or monitoring of air or property to confirm the type, absence, presence or level of fungus, whether performed prior to, during or after removal, repair, restoration or replacement of covered property.

SECTION II - EXCLUSIONS

In all policies, the following exclusion is added to item 1.:

l. any:

(1) bodily injury, personal injury, or property damage arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungus at or from any source or location; or

(2) loss, cost or expense arising out of any:

(a) request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or dispose of or in any way respond to or assess the effects of fungus; or

(b) claim or suit for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of fungus.

All other policy provisions apply.

FE-5722

SF- Kirk- 911 12 St.
SF-00063

(CONTINUED)



93-GJ-1742-3 (1341)

FE-8654
(4/98)

BODILY INJURY AMENDED DEFINITION ENDORSEMENT

The definition of bodily injury is replaced by the following:

"bodily injury":

a. means physical injury, sickness or disease to a person, including required care, loss of services and death resulting therefrom;

b. does not include:

(1) disease, bacteria, parasite, virus or other organism, any of which are communicable and transmitted by any insured to any other person;

(2) the exposure to any such disease, bacteria, parasite, virus or other organism by any insured to any other person; or

(3) emotional distress, mental anguish, humiliation, mental distress, mental injury or any similar injury unless it arises out of actual physical injury to some person.

All other policy provisions apply.

FE-8654
(4/98)

SF- Kirk- 911 12 St.
SF-00065

AL-MISS (09)

PDQ - Name and Address

QNB001F0

F 93 GJ1742 3 Team/Div/Unit: RDP RCUP

B

Type: RENTAL DWELL 3

Status: 20 EXTRACT - RENEWAL R Note IV FRD

Eff: 12-13-2005 Exp: 12-13-2006 Cov cease: 12-22-2006

Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny) Ph: 334-644-2111

Addl interest: 00

Insured

N: KIRK, RANDALL C

A: PO BOX 384

C: LANETT AL

36863-0384

Ph: 706-518-5475 H

SSN 1: 421-92-1071

DOB 1: 04-19-1960

Ins is: INDIVIDUAL

Location

911 N 12TH ST

LANETT AL

Zip: 36863-1743

07/10/12

PDQ screen: _____ Next system: PDQ Input screen _____

ID: NG8T

SF- Kirk- 911 12 St.
SF-00068

AL-MISS (09)

PDQ - General Data

QNB002T6

F 93 GJ1742 3 Name: KIRK, RANDALL C Type: RENTAL DWELL 3
Status: 20 EXTRACT - RENEWAL R Note IV FRD

Eff: 12-13-2005 EXP: 12-13-2006 Cov cease: 12-22-2006
Ratable: YES Prem code: 1 Term: 98 Cancel eff date: 12-22-2006

Last entry date: 01-05-2006 LPU date: 12-28-2006 Stat agent: 1520

Billing Information

Total premium: 362.00

Written dt: 12-15-2005

Acct renewal dt: 12-15-2005 B-10: N

Commission data

Occr	Agt	Mgr	CC	Np	Rate	Ctl	Premium
1	1520				0	0	362.00

PDQ Screen: Next system: PDQ Input screen

07/10/12
ID: NG8T

SF- Kirk- 911 12 St.
SF-00067

AL-MISS (09) PDQ - Statistical Policy Information

QNB035A1

F 93 GJ1742 3 Name: KIRK, RANDALL C
Eff: 12-13-2005 Exp: 12-13-2006

----Coverages----- --Med Pay Limits--
A33 1000

A32 300000

Forms and opt:

FP /8103/3 FE /7540 FE /8654 FE /5722 FE /5841

Risk no: 1

YR ISS 05 RATEIV 080 RATE V 17.00 ZONE V 5.03
SBZN V 5.03 IV 8 XSEC FE

AGTPRE 362

Total number of loc: 0001 Total coverage A: 55,500
Total coverage B: 2,775

PDQ screen: ____ Next system: PDQ Input screen ____

07/10/12
ID: NG8T

SF- Kirk- 911 12 St.
SF-00068

AL-MISS (09)

PDQ - Statistical Line Information

QNB034W1

F 93 GJ1742 3 Name: KIRK, RANDALL C

Eff: 12-13-2005 Exp: 12-13-2006

Ln	Index	Amount	Ded	Ded Liability	Annual Premium	Accounting Premium	Sp	Sb	Pol
001	R-201.0	55500	1000	300000	362.00		45	RD	3 1
Total:					362.00				

Ln	Loc No	Const	PC	Cnty	City	MTE	Yr Blt	Remod Yr	No Units	Spr	Cr	R
001	0001	F	4000	009	Y460		1976		1			1

Ln	Hm Alert	Alarm Cr/Pct	New/Rem/OH	Sq Ft	Roof	Roof Cl Area	Wind Cr	Eq	Cl	R
001	SA	\$8/ 2%		1094	S					1

Ln	BCEG	Certified BC	Improved BC	Yr	Community BC	LPEX	Stove	R
001								1

Ln	Roof Cov	Hail Res	Inst Dt	HRC/PCT	Subzn	WLRRP	WLRCr/Fct	R
001					03			1

PDQ screen: ____ Next system: PDQ Input screen ____ Loc: ____07/10/12
ID: NG8TSF- Kirk- 911 12 St.
SF-00069

AL-MISS (09)

PDQ - Underwriting Screen

QNB004T0

F 93 GJ1742 3 Name: KIRK, RANDALL C Type: RENTAL DWELL 3
 Status: 20 EXTRACT - RENEWAL R Note IV FRD

Eff: 12-13-2005 Exp: 12-13-2006 Cov cease: 12-22-2006

Move-in: I

Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny) Phone: 334-644-2111
 Additional interests: 00 Yr blt: 1976 Yr iss: 2005

Forms and options: FP /8103/3 SPECIAL FORM Deductibles
 FE /7540 DEBRIS REMOVAL ALL PERILS 1000
 FE /8654 BI AMENDED DEF
 FE /5722 FUNGUS EXCL
 FE /5841 AMEND SUB COND

Coverages

Total coverage A 55500
 Total coverage B 2775

Total premium: 362.00

----- Und Reports -----
 Vend Report Result Score Date
 A L 0 01-03-2006

Business liability (A32) 300000
 Aggregate liability 600000
 Med pay per person (A33) 1000

LNGTD: - 85.1945920
 LATUD: 32.8757420
 Match type: A

Loss history

Date of last CDQ: 08-25-2006
 Claim No Claims: 1
 Number Loss Date Status
 01X515223 04-19-2006 CLOSED

07/10/12

PDQ screen: ____ Next system: PDQ Input screen ____

ID: NG8T

SF-Kirk- 911 12 St.
 SF-00070

AL-MISS (09)

PDQ - Notes

QNB006D7

F 93 GJ1742 3 Name: KIRK, RANDALL C Type: RENTAL DWELL 3
Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny)

Roof: S

Last reinspection: 12-15-2005

By: AGENT

Entered: 01-05-2006

** Reunderwriting decision has been recorded - View using FRD screen **
Pol Note NO ACTION CAT CLAIM JM.
1: Oper ID: ICEN Date: 09-26-2006

PDQ screen: _____ Next system: PDQ Input screen: _____

07/10/12
ID: NG8T

SF- Kirk- 911 12 St.
SF-00071

AL-MISS (09)

Claim History Review

QNN542X3

Pol no: F 93 GJ1742 3 Insured: KIRK, RANDALL C

Oper: NG8T

Yr iss: 2005 Exp: 12-13-2007 Type: RENTAL DWELL 3 SAS:

Agt/AFO: 1520 F282

Status: 13 Prop amt: 59400 Ded: ALL PERILS 1000 No claims: 1

No	Claim Number	Date of Loss	Cause/ Reason	Status
1	01X515223	04-19-2006	35/HLC	CLOSED

	Reserve Amount	Paid Amount	Recovery Amount	Expense Amount	Mold Ind Amount
1	0	0	0	162	0

INSURED KIRK, RANDALL C

Initial dt closed: 09-19-2006

Selections:
Next System: PDQ PDQ screen: UND Page: 107/10/12
09:42:48
@NG8TSF- Kirk- 911 12 St.
SF-00072

AL-MISS (09)

Claim Detail Cause

QNN544T0

Pol no: F 93 GJ1742 3 SAS: Type: RENTAL DWELL 3
Insured: KIRK, RANDALL C Agt: 1520 HOLLEY, DONALD A
PO BOX 384 Exp: 12-13-2007
Status: 13 INSURED CANCEL-PRO R No claims: 1
Yr iss: 2005 Prop amt: 59400
Ded: ALL PERILS 1000

Claim no: 01X515223 Dt of loss: 04-19-2006 Dt closed: 09-19-2006 RC:
Pol no: F 93 GJ1742 3 Dt reported: 08-25-2006 Indem amt pd: 0.00
Agent: 1520 Suit/ADR: Y/ Reserve amt: 0.00
Type: RENTAL DWELL 3 Cat code: RA Expense amt: 162.00
Unit: 4 8 Salvage: NO Recovery amt: 0.00
Status: CLOSED Subrogation: NO Mold ind amt: 0.00
Claim off: MONTGOMERY OP CN
Ins: KIRK, RANDALL C Claimant:
PO BOX 384 Claimant dt of birth:
Adjuster: ANGELA B PIERCE Adjuster phone no: 334-213-1082
Und Rev: Initial dt closed: 09-19-2006

Cause/Line: 35/RD WIND OR HAIL - BUILDING
Status: CWP RESERVE CLOSED WITHOUT PAYMENT OR NO CLAIM
Indem amt pd: 0.00 Reserve amt: 0.00 Loc no: 0001
Expenses pd: 162.00 Recovery amt: 0.00
Comment: HL HAIL LOSS

Cause/Line:
Status:
Indem amt pd: Reserve amt: Loc no:
Expenses pd: Recovery amt:
Comment:

Next system: PDQ PDQ screen: UND Page: 1

07/10/12
@NG8TSF- Kirk- 911 12 St.
SF-00073

AL-MISS (09) **** PDQ - HISTORY OF TRANSACTION **** QNB007B7

F 93 GJ1742 3 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
SKEL CIP (INS. CANC. PRO)	ECHO	12-28-2006	12-22-2006	370.50
RENEWAL COMM RELEASED (RENEWAL WRITTEN PREM RELEASED PREVIOUSLY)		12-14-2006		
WRITTEN PREM RELEASED WITHOUT COMM (RENEWAL EFFECTIVE DATE REACHED)		12-13-2006		
BILLING		10-30-2006	12-13-2006	380.00
PHONE NUMBER CHANGE FROM CR			09-21-2006	
NEW BUSINESS	AQ7Z	01-05-2006	12-13-2005	362.00
PENDED APP	NAVN	01-03-2006		

PDQ SCREEN _____ NEXT SYSTEM PDQ INPUT SCREEN _____07/10/12
ID: NG8TSF- Kirk- 911 12 St.
SF-00074

AL-MISS (09) **** HISTORY OF JOURNAL ACTIVITY SCREEN **** QND536A2

93 GJ1742 3 NAME KIRK, RANDALL C TYPE RENTAL DWELL 3

JNL DATE	JNL CO	AMOUNT	ACCOUNT	REMITTER/ PAYEE	CROSS REFERENCE	BALANCE DUE
12-28-06	PCT F	370.50	DR 020-04 CANC PREM			
	PCT F	370.50	CR 259-00 RETURN PRM			
	CDT F	370.50	DR 259-00 RETURN PRM INS		760206	
12-15-06	PCT F	380.00	CR 336-00 CASH SUSP	INS		
	PCT F	380.00	DR 307-74 CPC PYMT	INS	IE20	
12-14-06	PCT F	380.00	DR 336-00 CASH SUSP			
	PCT F	380.00	CR 235-12 PICC			
12-13-06	PCT F	380.00	CR 010-04 WRIT PREM			
	PCT F	380.00	DR 235-12 PICC			380.00
01-05-06	PCT F	362.00	CR 010-04 WRIT PREM			
	PCT F	362.00	DR 336-00 CASH SUSP			
01-03-06	PCT F	362.00	DR 212-49 BANK	INS	I994	
	PCT F	362.00	CR 336-00 CASH SUSP	INS		

PDQ SCREEN HIST NEXT SYSTEM PDQ07/10/12
@NG8TSF- Kirk- 911 12 St.
SF-00075

CAR INDEX: 09 GJ-17423 K 93

FIRE POLICY TRANSACTIONS - STREAMED

ALABAMA RDP RCUP AGT/AFO: 1520/F282
F 93-GJ-1742-3 RENTAL DWELL 3 EFF/EXP: 12-13-06 12-13-07 STATUS: 01

KIRK, RANDALL C

CHGS INCL: CANC

PO BOX 384

LANETT AL 36863-0384

INS PH: HOME (706) 518-5475

EFF DATE: (12-22-06) RECD DATE: (12-28-06) WRTN DATE: (12-27-06) TIME: (08:50A)
CANCELLATION STREAMED

REQUESTED BY: INSURED

SEND REFUND TO: INSURED

SOURCE: ECHO AGT HOLLEY, Donny
INITIALS: (AJB)

PHONE: 334-644-2111



☒ RENTAL DWELLING
☐ RENTAL CONDO UNIT
 SUPPLEMENTAL

STATE FARM FIRE AND CASUALTY COMPANY
 Home Office, Bloomington, IL 61710

93 - GJ 1742 3 NLY

New	Renew	Schedule	Est. of Policy No.	Effective Date	Existing State Farm Client?	Yes	No	Term	12 Months
NAME Please print Kirk Randall C.				City or Town Lynn, AL		State AL		ZIP Code 36563	
Mailing address 112 N. 12th St.				City or Town Lynn, AL		State AL		ZIP Code 36563	
Location of premises 911 N. 12th St.				City or Town Lynn, AL		State AL		ZIP Code 36563	
Applicant's Social Security Number 421-72-1071				Co-applicant's Social Security Number		Telephone Number 365-518-1114		<input type="checkbox"/> H <input type="checkbox"/> B	
The named applicant is: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Partnership (give names of partners in Remarks) <input type="checkbox"/> Other (describe)				Applicant's specific occupation Owner/Operator					
DATE OF LOSS				CAUSE AND DESCRIPTION OF LOSS				TOTAL AMT. OF LOSS	
COASTAL ONLY:				Is the building located within 1,000 ft. of high tide of the ocean, gulf, bay, harbor, open body of water, or located on an island? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Name of service provider				Is the system tested annually? <input type="checkbox"/> Yes <input type="checkbox"/> No					
Name of central police/fire station to which system reports				System is designed to protect against: Fire <input type="checkbox"/> Burglary <input type="checkbox"/> Both Fire and Burglary <input type="checkbox"/>					
<input type="checkbox"/> Apply sprinkler Credit. Review CLM then describe extent of protection for each location in Remarks.				If Burglary, are all windows and doors protected? <input type="checkbox"/> Yes <input type="checkbox"/> No					
Heating				Year Updated: <input type="checkbox"/> Partial <input type="checkbox"/> Complete Rating of main box (in amps): <input type="checkbox"/> Yes <input type="checkbox"/> No					
Electrical				Year Updated: <input type="checkbox"/> Partial <input type="checkbox"/> Complete Rating of main box (in amps): <input type="checkbox"/> Yes <input type="checkbox"/> No					
Plumbing				Year Updated: <input type="checkbox"/> Partial <input type="checkbox"/> Complete Rating of main box (in amps): <input type="checkbox"/> Yes <input type="checkbox"/> No					
If the utilities have been updated, describe the extent in the Remarks and provide required documentation to verify updates.				(1) extent of remodeling (2) cost of improvements (3) individual or firm that did work.					
Description:				Condition:		Estimated Value:			
Used for business purpose (other than private rented garage)				<input type="checkbox"/> Yes <input type="checkbox"/> No		If yes, please explain in Remarks.			
Is the address clearly posted at the driveway?				<input type="checkbox"/> Yes <input type="checkbox"/> No		Does the dwelling have a working phone? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Access road:				<input type="checkbox"/> Yes <input type="checkbox"/> No		Does the risk meet wildfire mitigation standards (as outlined in the underwriting guide)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If increased building and/or loss assessments coverage is requested, is a master policy in force for the building?				<input type="checkbox"/> Yes <input type="checkbox"/> No		Is the dwelling located on a steep hillside or narrow canyon? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If no, explain below				If no, explain below					
REMARKS									
22 34 12 28 SF- Kirk- 911 12 St. SF-00077									



☒ RENTAL DWELLING
☐ RENTAL CONDO UNIT
APPLICATION

STATE FARM FIRE AND CASUALTY COMPANY
State Farm Office, Bloomington, IL 61710
R-CLL

93 - GJ 1742

3

NAME Kirk Randall C. Barnett **City or Town** AL. **State** 36863 **Zip Code** 36863

Address P.O. Box 384 **City or Town** Lanett **State** AL **Zip Code** 36863 **County** Chambers

Location of premises 911 N. 12th St. **Telephone Number** 1334 518 5174

Applicant's Social Security Number 421-92-1071 **Co-applicant's Social Security Number** _____

The named applicant is: ☐ Individual ☐ Partnership (give names of partners in Remarks) ☐ Other (describe) _____

Applicant's specific occupation Owner/Operator

Has the applicant had any losses, insured or not, in the past three years (fire, wind, crime, etc.)? ☒ Yes, give reason in Remarks ☐ No, do not bind. Explain in Remarks _____

Has the applicant been convicted of arson, fraud, or other insurance related offense? ☒ Yes, explain in Remarks ☐ No, do not bind. Explain in Remarks _____

Does the dwelling have smoke detectors that meet code requirements? ☒ Yes ☐ No, explain in Remarks _____

Personal supervision of applicant ☒ Yes ☐ No, explain in Remarks _____

Real estate management company (give name and address in Remarks) _____

Purchase price \$ 40,000 **Is the building part of a Homeowners Association?** ☒ Yes ☐ No, explain in Remarks _____

Who is responsible for the management, care and maintenance of the property? ☒ Applicant ☐ Other (explain in Remarks) _____

Most recent property insurer State Farm **Mo. - Day - Yr.** 1996 **To** Present

Total number of rental dwellings/condo units currently owned by applicant 4 **Number insured with State Farm** 4 **Are there any detached structures?** ☒ Yes ☐ No, explain in Remarks _____

Does the dwelling have any unrepaired damage? ☒ Yes ☐ No, explain in Remarks _____

Are there burglar bars on the doors and windows? ☒ Yes ☐ No, explain in Remarks _____

Is there a wood stove or furnace, coal stove or free-standing fireplace anywhere on the property? ☒ Yes ☐ No, explain in Remarks _____

Is any business (including child care) conducted on the premises? ☒ Yes ☐ No, explain in Remarks _____

Is the building being remodeled? ☒ Yes ☐ No, explain in Remarks _____

Is the dwelling being water available from a public road or neighbor? ☒ Yes ☐ No, explain in Remarks _____

Is the home accessible to fire department protection equipment year round? ☒ Yes ☐ No, explain in Remarks _____

Is there a Comprehensive Liability policy in force? ☒ Yes ☐ No, explain in Remarks _____

Protection Class 4 **Distance to Hydrant** 600 ft **Responding Fire Department (as listed in CLM)** Lanett **Distance to Responding Fire Dept** 3 mi

Roof Type: ☒ Comp Shingle ☐ Concrete Tile ☐ Tar & Gravel ☐ Metal ☐ Wood Shingle ☐ Wood Shake ☐ Clay Tile/Slate ☐ Other _____

ROOF: NOTE - Dwellings with poor roofs are unacceptable and should not be written **Year replaced** 2005 **General comments about roof's condition** New RC=69,000 Sfft=1094

Indicate any of the following that might be of concern: ☐ Possible hail damage ☐ Curled shingles ☐ Patched areas ☐ Loose or missing shingles ☐ Missing or replaced ridge row ☐ Stain or rotting under eaves ☐ Any interior leaks ☐ Wear in valleys

Promises surveyed on 12/13/05 **By** D. Holley **If Dwelling Under Construction, is applicant acting as general contractor?** ☒ Yes ☐ No, explain in Remarks _____

Source of Estimate: ☒ Estimated Replacement Cost Tool ☐ Contractor Estimate ☐ Professional Appraisal ☐ Other _____

Please attach a copy of the Estimated Replacement Cost Document. E9A2 MIAA8 **Date of Estimate:** 11/29/05

Zone 45 **Subzone** 3 **Construction** ☒ Frame ☐ Masonry Veneer ☐ Masonry ☐ Other (specify) _____

No. of living units per fire division one

Year built 1976 **If over 30 yrs. old, complete Over 30 section** ☒ Yes ☐ No, explain in Remarks _____

First occupied by: 12/05 **Occupied by:** ☒ Tenant ☐ Vacant ☐ Dwelling Under const. ☐ If vacant, explain in Remarks _____

Seasonal occupancy? ☒ Yes ☐ No, explain in Remarks _____

CHECK ALL THAT APPLY: ☒ Fire or smoke local alarm ☐ Deadbolt locks ☐ Fire/burglar alarm reporting to fire dept., police dept. or central station ☒ Fire extinguisher ☐ Burglar alarm system ☐ Fire or smoke detectors with digital or voice-synthesized telephone dialer

Home/Residential Alert Credit 2 **Utility Rating Plan:** ☐ Discount ☐ Charge _____ %

Forms: ☒ Special Form ☐ Basic Form ☐ Rental Condominium Unit (rented 100% of the time) **Deductibles:** ☒ \$1,000 ☐ Other _____

Hurricane Deductible ☐ 2% ☐ 5% ☐ 10% ☐ 15% (May NOT be available in all Zones - see CLM)

Limit of insurance	Base Premium	Options/Endorsements	Premium
A. Dwelling (see Condo Unit, see Building Schedule) \$55,500		RDP Dwelling Loss Settlement Options - select one: <input checked="" type="checkbox"/> Replacement Cost - Similar Construction (incl. 80% or more IV on Special Form) <input type="checkbox"/> Modified Replacement Cost - Common Construction (incl. < 80% IV on Special Form and on all Basic Form policies)	
Dwelling Extension (total amount including 10% from Coverage A) (N/A for condo units) \$5,550		RDP/RCUP Personal Property Loss Settlement Options - select one: <input checked="" type="checkbox"/> Actual Cash Value - Contents (include with base premium) <input type="checkbox"/> Option RC - Replacement Cost - contents	
B. Personal Property (total amount) (see Condo units, see Building Schedule) \$2,775		Policy Options and Endorsements <input type="checkbox"/> Building Ordinance or Law - % of Cov. A _____ % <input type="checkbox"/> Theft Coverage, Dwelling Under Construction	
C. Loss of Rents Actual Loss Sustained			
D. Loss Assessments (Condo units only) \$1,000 Other _____			
L. Business Liability (each occurrence) \$300,000 \$ Other _____			
M. Premises Medical Payments \$1,000 RDP \$5,000 RCUP			

PREMIUM SUBTOTAL \$ 362.00

SFP Account Number _____ **Surcharge (if app.) \$** _____ **Amount paid \$** 362.00 **Balance due \$** 0 **TOTAL PREMIUM \$** 362.00

OTHER INTEREST ☐ Mtg. ☐ Interest in Remarks _____ **Named add'l insured (explain interest in Remarks)** N/A

2nd ☐ Mtg. ☐ Interest in Remarks _____ **Named add'l insured (explain interest in Remarks)** _____

Agent's Code Stamp SOUTHEAST AFO **Date and Time of Application** 12/15/05 **Hour** 12

By submission of this application, you agree that: (1) You have read this application, (2) your statements on this application are correct, (3) the coverages, including options and endorsements, and the amounts of coverage on this application are those chosen by you, and (4) the premium charged must comply with State Farm's rules and rates and may be revised.

Agent's Signature D. HOLLEY **Agent's Code** 01-1520 **Agent's Stamp** F282

OFFICE COPY

FP-8103
(5/88)



**YOUR
STATE FARM
RENTAL DWELLING
POLICY**

SF-Kirk-911 12 St.
SF-00079

FP-8103 2

TABLE OF CONTENTS

DECLARATIONS

Your Name
 Location of Your Residence
 Policy Period
 Coverages
 Limits of Liability
 Deductibles

	Begins on Page
AGREEMENT	1
DEFINITIONS	1
SECTION I - YOUR PROPERTY	
COVERAGES	2
Coverage A - Dwelling	2
Coverage B - Personal Property	2
Coverage C - Loss of Rents	3
Additional Coverages	3
Inflation Coverage	5
LOSSES INSURED	5
LOSSES NOT INSURED	5
CONDITIONS	7
SECTION II - YOUR LIABILITY	
COVERAGES	9
Coverage L - Business Liability	9
Coverage M - Premises Medical Payments	10
EXCLUSIONS	10
ADDITIONAL COVERAGES	13
CONDITIONS	13
SECTION I AND II - CONDITIONS	14
OPTIONAL PROVISIONS	15

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FP-8103.3
 (5/88)

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 SF-00080

RENTAL DWELLING POLICY - SPECIAL FORM 3

AGREEMENT

We agree to provide the insurance described in this policy.
You agree to pay premiums when due and comply with the

provisions of this policy.

DEFINITIONS

"You" and "your" mean the "named insured" shown in the **Declarations**. Your spouse is included if a resident of your household. "We", "us" and "our" mean the Company shown in the **Declarations**.

Certain words and phrases are defined as follows:

1. "**bodily injury**" means bodily harm, sickness or disease. This includes required care, loss of services and death resulting therefrom. **Bodily injury** does not include any of the following which are communicable: disease, bacteria, parasite, virus, or other organism, any of which are transmitted by any **insured** to any other person. It also does not include the exposure to any such disease, bacteria, parasite, virus, or other organism by any **insured** to any other person.
2. "**contract**" means any written **contract** or agreement wherein the **named insured** has expressly assumed liability for damages to which this policy applies.
3. "**Declarations**" means the policy **Declarations**, any amended **Declarations**, the most recent renewal notice or certificate, an Evidence of Insurance form, or any endorsement changing any of these.
4. "**insured**" means:
 - a. if the **named insured** is designated in the **Declarations** as an individual and is a sole proprietor, the **named insured** and spouse;
 - b. if the **named insured** is designated in the **Declarations** as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof;
 - c. if the **named insured** is designated in the **Declarations** as other than an individual, partnership or joint venture, the organization trustees, directors or governors or stockholder thereof while acting within the scope of their duties;

- d. any employee of the **named insured** while acting within the scope of that employment;
- e. any person or organization while acting as real estate manager for the **named insured**.

The insurance afforded applies separately to each **insured** against whom claim is made, or suit is brought, except with respect to the limit of our Company ability.

This insurance does not apply to **bodily injury** or **personal injury** or **property damage** arising out of the conduct of any partnership or joint venture which is designated in this policy as a **named insured**.

5. "**insured premises**" means:

- a. the **residence premises**;
- b. one or two family premises of which you have ownership or control and for which you report intention to insure under this policy within 30 days after acquisition;
- c. the ways immediately adjoining on land; and
- d. one or two family dwelling premises alienated to any **insured** if possession has been given to or

6. "**motor vehicle**", when used in Section II of this policy means:

- a. a motorized land vehicle designed for travel on public roads or subject to motor vehicle registration. A motorized land vehicle in dead storage on a **named insured** premises is not a **motor vehicle**;
- b. a trailer or semi-trailer designed for travel on public roads and subject to motor vehicle registration. A boat, camp, home or utility trailer not being towed by or carried on a vehicle included in 6.a. is not a **motor vehicle**;

- c. a motorized golf cart, snowmobile, or other motorized land vehicle owned by any **insured** and designed for recreational use off public roads, while off an **insured premises**. A motorized golf cart while used for golfing purposes is not a **motor vehicle**;
 - d. a motorized bicycle, tricycle or similar type of equipment owned by any **insured** while off an **insured premises**;
 - e. any vehicle while being towed by or carried on a vehicle included in 6.a., 6.b., 6.c., or 6.d.
7. "**named insured**" means the person or organization named in the **Declarations** of this policy.
8. "**occurrence**", when used in Section II of this policy, means an accident, including exposure to conditions, which results in:
- a. **bodily injury**;
 - b. **property damage**; or

c. **personal injury**;

during the policy period. Repeated or continuous exposure to the same general conditions is considered to be one **occurrence**.

9. "**personal injury**" means injury arising out of one or more of the following offenses:
- a. false arrest, detention or imprisonment or malicious prosecution;
 - b. libel, slander or defamation of character; or
 - c. invasion of privacy, wrongful eviction or wrongful entry.
10. "**property damage**" means physical damage to or destruction of tangible property, including loss of use of this property. Theft or conversion of property by any **insured** is not considered to be **property damage**.
11. "**residence premises**" means the one or two family dwelling, other structures, and grounds which is shown in the **Declarations**.

SECTION I - COVERAGES

COVERAGE A - DWELLING

We cover:

1. the dwelling on the **residence premises** shown in the **Declarations** used principally as a private residence, including structures attached to the dwelling;
2. materials and supplies located on or adjacent to the **residence premises** for use in the construction, alteration or repair of the dwelling or other structures on the **residence premises**;
3. wall-to-wall carpeting attached to the dwelling on the **residence premises**; and
4. outdoor antennas.

Except as specifically provided in the **SECTION I, ADDITIONAL COVERAGES**, for **Land**, we do not cover land or any costs required to replace, rebuild, stabilize or otherwise restore the land.

Dwelling Extension. We cover other structures on the **residence premises**, separated from the dwelling by clear

space. Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.

We do not cover other structures:

1. not permanently attached to or otherwise forming part of the realty;
2. used in whole or in part for commercial, manufacturing or farming purposes; or
3. rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

COVERAGE B - PERSONAL PROPERTY

We cover personal property owned or used by any **insured** which is rented or held for rental with the **residence premises** or used for the maintenance of the **residence premises**. This coverage applies only while the personal property is on the **residence premises** or temporarily on premises for repairs.

SF- Kirk- 911 12th ST.
SF-00082

Property Not Covered. We do not cover:

1. articles separately described and specifically insured in this or any other insurance;
2. animals, birds or fish;
3. any engine or motor propelled vehicle or machine, including the parts, designed for movement on land. We do cover those used solely for the service of the **residence premises** and not licensed for use on public highways;
4. watercraft, including motors, equipment and accessories;
5. aircraft and parts;
6. outdoor signs.

COVERAGE C - LOSS OF RENTS

The limit of liability for Coverage C is the total limit for all the following coverages.

1. **Fair Rental Value.** If a Loss Insured causes that part of the **residence premises** rented to others or held for rental by you to become uninhabitable, we cover its fair rental value. Payment shall be for the shortest time required to repair or replace the part of the premises rented or held for rental but not exceeding 12 consecutive months from the date of loss. This period of time is not limited by expiration of this policy. Fair rental value shall not include any expense that does not continue while that part of the **residence premises** rented or held for rental is uninhabitable.
2. **Prohibited Use.** If a civil authority prohibits you from use of the **residence premises** as a result of direct damage to neighboring premises by a Loss Insured in this policy, we cover any resulting Fair Rental Value loss for a period not exceeding two weeks during which use is prohibited.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. **Debris Removal.** We will pay the reasonable expense incurred by you in the removal of debris of covered property provided coverage is afforded for the peril

causing the loss. Debris removal expense is included in the limit of liability applying to the damaged property. When the amount payable for the actual damage to property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense.

2. **Reasonable Repairs.** We will pay the reasonable expense incurred by you of repairing damage to covered property necessary to protect the property from further damage or loss, provided coverage is afforded for the peril causing the loss. This coverage does not increase the limit of liability applying to the property being repaired.
3. **Trees, Shrubs and Other Plants.** We cover outplanting of trees, shrubs, plants or lawns, on the **residence premises**, for loss caused by the following Losses Insured: Fire or lightning, Explosion, Riot or commotion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism, malicious mischief or Theft. The limit of liability for this coverage shall not exceed 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants and lawns nor more than \$500 for any one tree, shrub or plant. This coverage may increase the limit of liability otherwise applicable. We do not cover property grown for business purposes.
4. **Fire Department Service Charge.** We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Loss Insured. No deductible applies to this coverage. This coverage may increase the limit otherwise applicable.
5. **Property Removed.** Covered property, while being moved from a premises endangered by a Loss Insured, is covered for direct loss from any cause. This coverage also applies to the property for up to 30 days while being moved. We will also pay for reasonable expenses incurred by you for the removal and return of the covered property. This coverage does not increase the limit of liability applying to the property being removed.
6. **Personal Effects.** We will pay up to \$500 for loss of **residence premises** caused by a Loss Insured to personal effects of others while such property is in

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SF-00083

care, custody or control. This coverage is subject to the limitations and exclusions applicable to Coverage B - Personal Property. This coverage is limited to \$100 per person and does not increase the limit of liability applying to Coverage B - Personal Property.

7. **Burglary.** We will pay for loss of personal property owned or used by any insured which is rented or held for rental with the residence premises, when the loss is from a known location within a building on the residence premises when it is probable that the property has been stolen and there is visible evidence of forcible entry to or forcible exit from that building. This coverage does not increase the limit of liability applying to Coverage B - Personal Property.

8. **Arson Reward.** We will pay \$1,000 for information which leads to an arson conviction in connection with a fire loss to property covered by this policy. This coverage may increase the limit otherwise applicable. However, the \$1,000 limit shall not be increased regardless of the number of persons providing information.

9. **Land.** We will pay up to \$10,000 for the cost required to replace, rebuild, stabilize or otherwise restore the land necessary to support the insured dwelling sustaining a covered loss. This may increase the limit applying to the property.

10. **Volcanic Action.** We cover direct physical loss to a covered building or covered property contained in a building resulting from the eruption of a volcano when the loss is directly and immediately caused by:

- a. volcanic blast or airborne shock waves;
- b. ash, dust or particulate matter; or
- c. lava flow.

We will also pay for the removal of that ash, dust or particulate matter which has caused direct physical loss to a covered building or covered property contained in a building.

One or more volcanic eruptions that occur within a 72-hour period shall be considered one volcanic eruption.

This coverage does not increase the limits applying to the damaged property.

11. **Collapse.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire extinguishing equipment, volcanic action, falling objects, weight of ice, snow or sleet, water damage, breakage of building glass, all only as insured against in this policy;

(1) falling objects does not include loss of or damage to:

(a) personal property in the open; or

(b) the interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object;

(2) water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam;

b. hidden decay;

c. hidden insect or vermin damage;

d. weight of contents, equipment, animals or people;

e. weight of ice, snow, sleet or rain which collects on a roof; or

f. use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items b., c., d., e., and f. unless the loss is a direct result of the collapse of a building.

SF- Kirk- 911 12th ST.
SF-00084

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit applying to the damaged property.

INFLATION COVERAGE

The limits of liability shown in the **Declarations** for Coverages A and B will be increased at the same rate as the increase in the Inflation Coverage Index shown in the **Declarations**.

To find the limits on a given date:

1. divide the Index on that date by the Index as of the effective date of this Inflation Coverage provision; then
2. multiply the resulting factor by the limits of liability Coverage A and Coverage B separately.

The limits of liability will not be reduced to less than amounts shown in the **Declarations**.

If during the term of this policy, the Coverage A limit of liability is changed at your request, the effective date of the Inflation Coverage provision is changed to coincide with effective date of such change.

SECTION I - LOSSES INSURED

COVERAGE A - DWELLING AND COVERAGE B - PERSONAL PROPERTY

We insure for accidental direct physical loss to the property described in Coverage A and Coverage B, except as provided in Section I - Losses Not Insured.

vided in Section I - Losses Not Insured.

SECTION I - LOSSES NOT INSURED

1. We do not insure for loss to the property described in Coverage A and Coverage B either consisting of, or directly and immediately caused by, one or more of the following:

- a. collapse, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES for Collapse**;

- b. freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed unless you have used reasonable care to:

- (1) maintain heat in the building; or

- (2) shut off the water supply and drain the system and appliances of water;

- c. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock;

- d. theft in or to a dwelling under construction, materials and supplies for use in the construction until the dwelling is completed and occupied;

- e. theft of any property which is not actually part of any building or structure;

- f. mysterious disappearance;

- g. vandalism and malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

- h. continuous or repeated seepage or leakage of water or steam from a:

- (1) heating, air conditioning or automatic fire protective sprinkler system;

- (2) household appliance; or

- (3) plumbing system, including from, with, around any shower stall, shower bath, toilet installation, or other plumbing fixture, including their walls, ceilings or floors;

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SF-00085

which occurs over a period of time and results in deterioration, rust, mold, or wet or dry rot. If loss is caused by water or steam not otherwise excluded, we will cover the cost of tearing out and replacing any part of the building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which the water or steam escaped;

- i. wear, tear, marring, scratching, deterioration, inherent vice, latent defect and mechanical breakdown;
- j. rust, mold, or wet or dry rot;
- k. contamination;
- l. smog, smoke from agricultural smudging or industrial operations;
- m. settling, cracking, shrinking, bulging, or expansion of pavements, patios, foundation, walls, floors, roofs or ceilings;
- n. birds, vermin, rodents, insects or domestic animals. We do cover the breakage of glass or safety glazing material which is a part of a building, when caused by birds, vermin, rodents, insects or domestic animals.

However, we do insure for any ensuing loss from items a. through n. unless the loss is itself a Loss Not Insured by this Section.

- 2. We do not insure under any coverage for any loss which would not have occurred in the absence of one or more of the following excluded events. We do not insure for such loss regardless of: (a) the cause of the excluded event; or (b) other causes of the loss; or (c) whether other causes acted concurrently or in any sequence with the excluded event to produce the loss.
 - a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.
 - b. **Earth Movement**, meaning the sinking, rising, shifting, expanding, or contracting of earth, all whether combined with water or not. Earth movement includes but is not limited to earthquake,

landslide, mudflow, sinkhole, subsidence and erosion. Earth movement also includes volcanic explosion or lava flow, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES for Volcanic Action.**

We do insure for any direct loss by fire, explosion other than explosion of a volcano, theft, or breakage of glass or safety glazing materials resulting from earth movement.

c. Water Damage, meaning:

- (1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) water which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
- (3) natural water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

However, we do insure for direct loss by fire, explosion, or theft resulting from water damage.

- d. **Neglect**, meaning neglect of the insured to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a Loss Insured.
- e. **War**, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- f. **Nuclear Hazard**, meaning any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. Loss caused by

the nuclear hazard shall not be considered loss caused by fire, explosion, or smoke. However, we do insure for direct loss by fire resulting from the nuclear hazard.

3. We do not insure under any coverage for any loss consisting of one or more of the items below. Further, we do not insure for loss described in paragraphs 1. and 2. immediately above regardless of whether one or more of the following: (a) directly or indirectly cause, contribute to or aggravate the loss; or (b) occur before, at the same time, or after the loss or any other cause of the loss:

- a. conduct, act, failure to act, or decision of any person, group, organization or governmental body whether intentional, wrongful, negligent, or without fault;

- b. defect, weakness, inadequacy, fault or unsoundness in:

- (1) planning, zoning, development, surveying, engineering;
- (2) design, specifications, workmanship, construction, grading, compaction;
- (3) materials used in construction or repair; or
- (4) maintenance;

of any property (including land, structures, or improvements of any kind) whether on or off the residence premises.

However, we do insure for any ensuing loss from its cause, a. and b. unless the ensuing loss is itself a Loss Insured by this Section.

SECTION I - CONDITIONS

1. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable:

- a. to the insured for an amount greater than the insured's interest; nor
- b. for more than the applicable limit of liability.

2. **Your Duties After Loss.** In case of a loss to which this insurance may apply, you shall see that the following duties are performed:

- a. give immediate notice to us or our agent, and in case of theft, vandalism, or malicious mischief, also to the police;
- b. protect the property from further damage or loss, make reasonable and necessary repairs required to protect the property, and keep an accurate record of repair expenditures;
- c. prepare an inventory of damaged personal property showing in detail, the quantity, description, actual cash value and amount of loss. Attach to the inventory all bills, receipts and related documents that substantiate the figures in the inventory;

- d. as often as we reasonably require:

- (1) exhibit the damaged property;
- (2) provide us with records and documents we request and permit us to make copies; and
- (3) submit to examinations under oath and subscribe the same;

- e. submit to us, within 60 days after the loss, a signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:

- (1) the time and cause of loss;
- (2) interest of the insured and all others in the property involved and all encumbrances on the property;
- (3) other insurance which may cover the loss;
- (4) changes in title or occupancy of the property during the term of this policy;
- (5) specifications of any damaged building and itemized estimates for repair of the damage;
- (6) an inventory of damaged personal property as described in 2.c.;
- (7) records supporting the fair rental value loss.

SF- Kirk- 911 12th ST.

SF-00087

3. Loss Settlement. Covered property losses are settled as follows:

- a. Personal property and structures that are not buildings at actual cash value, up to the applicable limit of liability, at the time of loss. There may be deduction for depreciation. We will not pay an amount exceeding that necessary to repair or replace;
- b. Carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, at actual cash value, up to the applicable limit of liability, at the time of loss. We will not pay an amount exceeding that necessary to repair or replace;
- c. Buildings under Coverage A at replacement cost without deduction for depreciation, subject to the following:
 - (1) We will not pay more than the \$10,000 limit on Land as provided in **SECTION I, ADDITIONAL COVERAGES.**
 - (2) We will pay the cost of repair or replacement, without deduction for depreciation, but not exceeding the smallest of the following amounts:
 - (a) the limit of liability under this policy applying to the building;
 - (b) the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
 - (c) the amount actually and necessarily spent to repair or replace the damaged building.
 - (3) We will pay the actual cash value of the damage to the buildings, up to the policy limit, until actual repair or replacement is completed.
 - (4) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis and then make claim within 180 days after loss for any additional liability on a replacement cost basis.

4. Loss to a Pair or Set. In case of loss to a pair or set, we may elect to:

- a. repair or replace any part to restore the pair or set to its value before the loss; or
- b. pay the difference between actual cash value of property before and after the loss.

5. Glass Replacement. Loss for damage to glass caused by a Loss Insured shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

6. Appraisal. If you and we fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you and we can ask a judge of a court of record in the state where the residence premises is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their difference to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

7. Other Insurance. If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.

8. Suit Against Us. No action shall be brought unless there has been compliance with the policy provisions and the action is started within one year after the date of loss or damage.

9. Our Option. We may repair or replace any part of the property damaged or stolen with equivalent property.

Any property we pay for or replace becomes our property.

10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- a. reach agreement with you;
- b. there is an entry of a final judgment; or
- c. there is a filing of an appraisal award with us.

11. **Abandonment of Property.** We need not accept any property abandoned by any insured.

12. **Mortgage Clause.** The word "mortgagee" includes trustee.

- a. If a mortgagee is named in this policy, any loss payable under Coverage A shall be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment shall be the same as the order of precedence of the mortgages.
- b. If we deny your claim, that denial shall not apply to a valid claim of the mortgagee, if the mortgagee:
 - (1) notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
 - (2) pays any premium due under this policy on demand if you have neglected to pay the premium;
 - (3) submits a signed, sworn statement of loss within 60 days after receiving notice from us of

your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

- c. If this policy is cancelled by us, the mortgagee shall be notified at least 10 days before the date cancellation takes effect.

- d. If we pay the mortgagee for any loss and deny payment to you:

- (1) we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- (2) at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we shall receive full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

- e. Subrogation shall not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage for the benefit of a person or organization holding, storing or transporting property for a fee regardless of any other provision in this policy.

14. **Intentional Acts.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then this policy is void and we will not pay or any other insured for this loss.

SECTION II - LIABILITY COVERAGES

COVERAGE L - BUSINESS LIABILITY

If a claim is made or a suit is brought against any insured for damages because of **bodily injury, personal injury, or property damage** to which this coverage applies, caused by an **occurrence**, and which arises from the ownership, maintenance, or use of the insured premises, we will:

1. pay up to our limit of liability for the damages for which the insured is legally liable; and

2. provide a defense at our expense by counsel of your choice. We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suit ends when the amount we pay for damages, to effect settlement, satisfy a judgment resulting from the occurrence equals our limit of liability.

SF- Kirk- 911 12th ST.
SF-00089

The total limit of the Company's liability for all occurrences in any one policy year shall not exceed the annual aggregate limit shown in the Declarations for Coverage L - Business Liability.

COVERAGE M - PREMISES MEDICAL PAYMENTS

We will pay the necessary medical expenses incurred or medically ascertained within three years from the date of

an accident causing **bodily injury** which arises out of condition on the **insured premises** or for which the **insured** is provided **bodily injury** liability coverage under this policy. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

SECTION II - EXCLUSIONS

1. Coverage L - Business Liability and Coverage M - Premises Medical Payments do not apply to:

a. **bodily injury, personal injury, or property damage:**

- (1) which is either expected or intended by an **insured**; or
- (2) to any person or property which is the result of willful and malicious acts of an **insured**;

b. **bodily injury, personal injury, or property damage** arising out of the rendering or failing to render professional services;

c. **bodily injury, personal injury, or property damage** arising out of the ownership, maintenance, use, loading or unloading of:

- (1) aircraft;
- (2) any **motor vehicle** owned or operated by, or rented or loaned to any **insured**; or
- (3) any watercraft owned by or operated by, or rented or loaned to any **insured**;

d. **bodily injury, personal injury, or property damage** arising out of:

- (1) the entrustment by any **insured** to any person;
- (2) the negligent supervision by any **insured** of any person;
- (3) any liability statutorily imposed on any **insured**; or
- (4) any liability assumed through an unwritten or written agreement by any **insured**;

with regard to the ownership, maintenance or use of any aircraft, watercraft, or **motor vehicle** (or other motorized land conveyance) which is not covered under Section II of this policy;

e. **bodily injury, personal injury, or property damage** caused directly or indirectly by war, civil war, insurrection, rebellion, revolution, warlike act by military force or military personnel, destruction, seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental;

f. **bodily injury, personal injury, or property damage** arising out of premises, other than the **insured premises**, or to liability assumed by the **insured** under any contract or agreement relating to such premises;

g. to **bodily injury or property damage** for which the **insured** may be held liable:

- (1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages; or
- (2) if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - (a) by, or because of the violation of any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverages; or
 - (b) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol;

which causes or contributes to the intoxication of any person;

but part (b) of this exclusion does not apply with respect to liability of the **insured** or his indemnitee as an owner or lessor described in (2) above;

h. the legal liability of any **insured** to:

(1) any person who is in the care of any **insured** because of child care services provided by or at the direction of:

(a) any **insured**;

(b) any employee of any **insured**; or

(c) any other person actually or apparently acting on behalf of any **insured**;

(2) any person who makes a claim because of **bodily injury** or **property damage** to any person who is in the care of any **insured** because of child care services provided by or at the direction of:

(a) any **insured**;

(b) any employee of any **insured**; or

(c) any other person actually or apparently acting on behalf of any **insured**;

i. **bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, spill, release or escape of pollutants:

(1) at or from premises owned, rented or occupied by the **named insured**;

(2) at or from any site or location used by or for the **named insured** or others for the handling, storage, disposal, processing or treatment of waste;

(3) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the **named insured** or any person or organization for whom the **named insured** may be legally responsible; or

(4) at or from any site or location on which the **named insured**, employee or any contractor or subcontractor working directly or indirectly on behalf of the **named insured** is performing operations:

(a) if the pollutants are brought on or to the site or location in connection with such operations; or

(b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Subparagraphs (1) and (4)(a) of this exclusion do not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes which result from a hostile fire or poisoning or asphyxiation due to escape of fumes from a furnace or flue because of a malfunction of the furnace or flue.

In addition, Coverage L and Coverage M do not apply to loss, cost or expense arising out of any governmental direction or request that the **named insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants;

As used in this exclusion:

"hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

"waste" includes materials to be recycled, reconditioned or reclaimed.

j. **bodily injury** to an employee of the **insured** arising out of and in the course of employment by the **insured** or the spouse, child, parent, brother or sister of that employee as a consequence of employment of that employee by the **insured**.

This exclusion applies:

(1) whether the **insured** may be liable as an employer or in any other capacity; and

SF- Kirk- 911 12th ST.
SF-00091

- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury;
 - k. **bodily injury** to you or any **insured** and if residents of your household:
 - (1) your relatives;
 - (2) any other person under the age of 21 who is in the care of an **insured**.
2. **Coverage L - Business Liability**, does not apply to:
- a. **liability**:
 - (1) for your share of any loss assessment charged against all members of an association of property owners; or
 - (2) assumed under any unwritten **contract** or agreement, or by **contract** or agreement in connection with any business of the **insured** other than the rental of the **insured premises**;
 - b. **property damage** to property owned by any **insured**;
 - c. **property damage** to property rented to, occupied or used by or in the care of the **insured**;
 - d. **bodily injury** or **personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by the **insured** under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - e. **bodily injury, personal injury, or property damage** for which any **insured** under this policy is also an **insured** under a nuclear energy liability policy or would be an **insured** but for its termination upon exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors;

- f. **personal injury** caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of any **insured**;
 - g. **personal injury** sustained by any person as a result of an offense directly or indirectly related to the employment of the person by the **insured**;
 - h. **personal injury** arising out of any publication or utterance in item b. of the definition of **personal injury**:
 - (1) if the first injurious publication or utterance of the same or similar material by or on behalf of the **insured** was made prior to the effective date of this insurance; or
 - (2) concerning any business or services made by or at the direction of any **insured** with knowledge of the falsity;
 - i. **property damage** or **personal injury** to premises you sell, give away or abandon, if the **property damage, or personal injury** arises out of those premises.
3. **Coverage M - Premises Medical Payments** does not apply to **bodily injury**:
- a. to any person, eligible to receive any benefits required to be provided or voluntarily provided under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - b. from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these;
 - c. to any **insured**, any tenant or other person regularly residing on the **insured premises** or to any employees of any of the foregoing if the **bodily injury** arises out of or in the course of their employment;
 - d. to any person engaged in maintenance and repair of the **insured premises** or alteration, demolition or new construction at such premises.

SECTION II - ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses. We pay:

- a. expenses incurred by us and costs taxed against any **insured** in any suit we defend;
- b. premiums on bonds required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage L. We are not obligated to apply for or furnish any bond;
- c. reasonable expenses incurred by any **insured** at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day for assisting

us in the investigation or defense of any claim suit;

- d. prejudgment interest awarded against the **insured** on that part of the judgment we pay; and
- e. interest on the entire judgment which accrues at the entry of the judgment and before we pay or tender or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. First Aid Expenses. We will pay expenses for first aid to others incurred by any **insured** for **bodily injury** covered under this policy. We will not pay for first aid to you or any other **insured**.

SECTION II - CONDITIONS

- 1. Limit of Liability.** The Coverage L limit is shown in the **Declarations**. This is our limit for all damages from each **occurrence** regardless of the number of **insureds**, claims made or persons injured.

The Coverage M limit is shown in the **Declarations**. This is our limit for all medical expense payable for **bodily injury** to one person as the result of one accident.

- 2. Severability of Insurance.** This insurance applies separately to each **insured**. This condition shall not increase our limit of liability for any one **occurrence**.

- 3. Duties After Loss.** In case of an accident or **occurrence**, the **insured** shall perform the following duties that apply. You shall cooperate with us in seeing that these duties are performed:

- a. give written notice to us or our agent as soon as practicable, which sets forth:
 - (1) the identity of this policy and **insured**;
 - (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
 - (3) names and addresses of any claimants and available witnesses;

- b. immediately forward to us every notice, demand, summons or other process relating to the accident or **occurrence**;

- c. at our request, assist in:

- (1) making settlement;
- (2) the enforcement of any right of contribution or indemnity against any person or organization who may be liable to any **insured**;
- (3) the conduct of suits and attend hearings and trials;
- (4) securing and giving evidence and obtaining attendance of witnesses;

- d. the **insured** shall not, except at the **insured's** cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of the **bodily injury**.

- 4. Duties of an Injured Person - Coverage M - Provides Medical Payments.** The injured person, or, if appropriate, someone acting on behalf of that person shall:

- a. give us written proof of claim, under oath if required, as soon as practicable;
- b. execute authorization to allow us to obtain copies of medical reports and records; and

- c. submit to physical examination by a physician selected by us when and as often as we reasonably require.
 - 5. **Payment of Claim - Coverage M - Premises Medical Payments.** Payment under this coverage is not an admission of liability by any insured or us.
 - 6. **Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions.
- No one shall have any right to join us as a party to any action against any insured. Further, no action with re-

spect to Coverage L shall be brought against us until the obligation of the insured has been determined by final judgment or agreement signed by us.

- 7. **Bankruptcy of any Insured.** Bankruptcy or insolvency of any insured shall not relieve us of any of our obligations under this policy.
- 8. **Other Insurance - Coverage L - Business Liability.** This insurance is excess over any other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND SECTION II - CONDITIONS

- 1. **Policy Period.** This policy applies only to loss under Section I or **bodily injury, personal injury, or property damage** under Section II which occurs during the period this policy is in effect.
- 2. **Concealment or Fraud.** This policy is void as to you and any other insured, if you or any other insured under this policy has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, whether before or after a loss.
- 3. **Liberalization Clause.** If we adopt any revision which would broaden coverage under this policy without additional premium, within 60 days prior to or during the period this policy is in effect, the broadened coverage will immediately apply to this policy.
- 4. **Waiver or Change of Policy Provisions.** A waiver or change of any provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination shall not waive any of our rights.
- 5. **Cancellation.**
 - a. You may cancel this policy at any time by notifying us in writing of the date cancellation is to take effect. We may waive the requirement that the notice be in writing by confirming the date and time of cancellation to you in writing.
 - b. We may cancel this policy only for the reasons stated in this condition by notifying you in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to

you at your mailing address shown in the **Declaration**. Proof of mailing shall be sufficient proof of notice:

- (1) When you have not paid the premium, whether payable to us or to our agent or under any insurance or credit plan, we may cancel at any time by notifying you at least 10 days before the date cancellation takes effect.
- (2) When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by notifying you at least 10 days before the date cancellation takes effect.
- (3) When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if there has been a material misrepresentation of fact which, if known to us, would have caused us not to issue this policy, or if the risk has changed substantially since the policy was issued. We may cancel this policy by notifying you at least 30 days before the date cancellation takes effect.
- (4) When this policy is written for a period longer than one year, we may cancel for any reason on the anniversary by notifying you at least 30 days before the date cancellation takes effect.
- c. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded. When you request cancellation

cancellation, the return premium will be based on our rules for such cancellation. The return premium may be less than a full pro rata refund. When we cancel, the return premium will be pro rata.

- d. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

6. **Non-Renewal.** We may elect not to renew this policy. If we elect not to renew, a written notice will be delivered to you, or mailed to you at your mailing address shown in the **Declarations**. The notice will be mailed or delivered at least 30 days before the expiration date of this policy. Proof of mailing shall be sufficient proof of notice.

7. **Assignment.** Assignment of this policy shall not be valid unless we give our written consent.

8. **Subrogation.** Any **insured** may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, any **insured** shall sign and deliver all related papers and cooperate with us in any reasonable manner.

Subrogation does not apply under Section II to Premises Medical Payments.

OPTIONAL POLICY PROVISIONS

Each Optional Provision applies only as indicated in the **Declarations** or Extension Certificate.

Option AI - Named Additional Insured. The definition of **insured** in this policy includes the person or organization named in the **Declarations** as an additional insured or whose name is on file with us with respect to:

1. Section I: **Coverage A - Dwelling;**
2. Section II: **Coverage L - Business Liability and Coverage M - Premises Medical Payments** but only with respect to the **residence premises**. This coverage does not apply to **bodily injury** to any employee arising out of or in the course of the employee's employment by the person or organization.

9. **Death.** If any person named in the **Declarations** or spouse, if a resident of the same household, dies:

- a. we insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under this policy at time of death;
- b. **insured** includes with respect to your property, person having proper temporary custody of property until appointment and qualification of legal representative.

10. **Conformity to State Law.** When a policy provision is in conflict with the applicable law of the State in which this policy is issued, the law of the State will apply.

11. **Inspection and Audit.** We shall be permitted but not obligated to inspect your property and operations at any time. However, our right to inspect or our actual inspection and report shall not constitute an undertaking on your behalf or for your benefit or the benefit of others to determine or warrant that the property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the policy period and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

This option applies only with respect to the location shown in the **Declarations**.

Option RC - Replacement Cost - Contents. Under **SECTION I - CONDITIONS**, items a. and b. of the Settlement Condition are replaced with the following:

- a. (1) Fences and the following personal property shall be replaced with actual cash value at the time of loss:
 - (a) antiques, fine arts, paintings, statuary and similar articles which by their inherent nature cannot be replaced with new articles;
 - (b) articles whose age or history contribute substantially to their value including:

not limited to, memorabilia, souvenirs and collectors items;

(c) property not useful for its intended purpose.

(2) We will not pay:

(a) an amount exceeding that necessary to repair or replace the property; or

(b) an amount in excess of the limit of liability applying to the property.

b. Other personal property, carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, and other structures (except fences) that are not buildings under Dwelling Extension, at the cost of repair or replacement at

the time of loss without deduction for depreciation subject to the following:

(1) We will pay the cost of repair or replacement but not exceeding the smallest of the following amounts:

(a) replacement cost at time of loss;

(b) the full cost of repair;

(c) any special limit of liability described in policy; or

(d) any applicable Coverage A or Coverage limit of liability.

(2) Loss to property not repaired or replaced within one year after the loss will be settled on an actual cash value basis.

IN WITNESS WHEREOF, this Company has executed and attated these presents; but this policy shall not be valid unless countersigned by the duly authorized Agent of this Company at the agency hereinbefore mentioned.

Kim M. Brunner

Secretary

Edward B. Runtz

President

The Board of Directors, in accordance with Article VI(c) of the Company's Articles of Incorporation, may from time to time distribute equitably to the holders of the participating policies issued by said Company such sums out of its earnings as in judgment are proper.

State Farm Fire and Casualty Company

Home Office, Bloomington, Illinois 61710



Birmingham Operations Center

100 State Farm Parkway

P.O. Box 2661

Birmingham, Alabama 35297-0001

CERTIFICATE

I, the undersigned, do hereby certify that I am custodian of the records pertaining to the issuance of policies issued by the Personal Lines Division of State Farm Fire & Casualty Company, a stock company with home offices in Bloomington, Illinois.

Based on our available records, I further certify that the attached coverage summary dated SEP 19, 2005 represents a true copy of the policy provisions and coverages as of NOV 02, 2005 for policy 93-EH-2574-0 issued to KIRK, RANDALL C
PO BOX 384
LANETT AL 36863-0384

LOCATION: 5439 37TH ST SW
LANETT AL 36863-4019

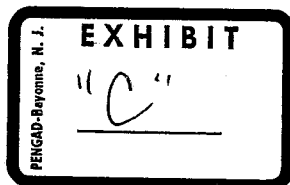
Bill Lovell

Bill Lovell
Underwriting Section Manager
State Farm Fire & Casualty Company
Birmingham Operation Center
Birmingham AL 35297-0001

State of Alabama

County of Jefferson

Subscribed and sworn to before me this 15th day of October, 2007



Constance Anichols Hatan
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: July 5, 2011
BONDED THRU NOTARY PUBLIC UNDERWRITERS

SF- Kirk- 5439 37th ST
SF-00109



STATE FARM INSURANCE COMPANIES®

State Farm Fire and Casualty Company

100 State Farm Parkway
Birmingham, AL 35297-0001

B-09-1520-F282 FR

KIRK, RANDALL C
PO BOX 384
LANETT AL 36863-0384

Location: 5439 37TH ST SW
LANETT AL
36863-4019Mortgagee: MC CORMICK, E J
Loan No: N/A - Provide Below

Forms, Options, and Endorsements

Special Form 3	FP-8103.3
Modified Replacement Cost	FE-7466.1
Debris Removal Endorsement	FE-7540
Bodily Injury Amended Defin	FE-8654
Fungus (Including Mold) Excl	FE-5722
Amendatory Subrogation Cond	FE-5841

RENEWAL CERTIFICATE

POLICY NUMBER 93-EH-2574-0
Rental Dwelling Pol - Special Form
NOV 02 2005 to NOV 02 2006

DATE DUE	PLEASE PAY THIS AMOUNT
NOV 02 2005	\$539.00

Coverages and Limits

Section I

A Dwelling	\$58,200
Dwelling Extension	5,820
B Personal Property	2,910
C Loss of Rents	Actual Loss

Deductibles - Section I

Basic	500
-------	-----

Section II

L Business Liab (per occurrence)	\$300,000
(annual aggregate)	600,000
M Medical Payments to Others	1,000
(each person)	

Annual Premium	\$539.00
Amount Due	\$539.00

Premium Reductions

Your premium has already been reduced
by the following:

Home Alert Discount	9.00
---------------------	------

Inflation Coverage Index: 194.8

SF- Kirk- 5439 37th ST
SF-00110

38 3328 9446

See reverse side for important information.
Please keep this part for your record.Thanks for letting us serve you...
DONNY HOLLEY
(334) 644-2111

Prepared SEP 19 2005



IF YOU HAVE MOVED, PLEASE CONTACT YOUR AGENT

B-1520-F282 F

INSURED KIRK, RANDALL C

POLICY NUMBER 93-EH-2574-0

RENTAL DWELL 3

PLEASE RETURN THIS PART WITH YOUR
CHECK MADE PAYABLE TO STATE FARM.

DATE DUE	PLEASE PAY THIS AMOUNT
NOV 02 2005	\$539.00

Provide Loan No. Below:

Please contact your State Farm
Agent to make any policy
changes.0909512022
State Farm Insurance Companies

138/30761-5 Rev 02-2001 Printed in U.S.A. (a110091)

FOR OFFICE USE ONLY

2266

201

Prepared SEP 19 2005
E 1V,TF

REB

FIRE REN

\$539.00

1202

400533600053900 093615182574001509>

CONTINUED FROM FRONT

Your Rental Dwelling coverage amount....

It is up to you to choose the coverages and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your rental dwelling. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc. using information you provide about your rental dwelling. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your rental dwelling. State Farm® does not guarantee that any estimate will be the actual future cost to rebuild your rental dwelling. Higher limits are available at higher premiums. Lower limits are also available, as long as the amount of coverage meets our underwriting requirements. We encourage to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your rental dwelling.

NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to your policy. Billing for any additional premium for such changes will be mailed at a later date.

If, during the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

(01f008q) Rev. 10-2003

(01f315a)

IF YOU HAVE MOVED, PLEASE CONTACT YOUR AGENT. IF THIS IS NOT CONVENIENT, PLEASE COMPLETE THE FOLLOWING.

Street or R.R.		Residence Phone No.	
City	State/Province	ZIP/Postal Code	Business Phone No.
Township	County	<input type="checkbox"/> Inside City Limits <input type="checkbox"/> Outside City Limits	
Is change: <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary If temporary, how many months? _____		Do you plan to return to your previous address? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Mailing address change only <input type="checkbox"/> Location change (Please see your State Farm agent)		<input type="checkbox"/> Check box if change applies to ALL State Farm policies in household.	
<i>(Auto Policyholders Only)</i>			
Is the vehicle driven to and from work/school? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If the answer is "yes", what is the average weekly mileage for such use? _____			

(01f008q)

SF- Kirk- 5439 37th ST
SF-00111

FE-7466.1
(7/86)**MODIFIED REPLACEMENT COST ENDORSEMENT**

Under **SECTION I - CONDITIONS**, Loss Settlement, item c. is replaced with the following:

c. Buildings under Coverage A by one of the following methods:

- (1) Repair Cost - We will pay the cost of repairing or replacing the damaged property for the same use on the same premises with commonly used materials that are readily available in the area where the building is located. The type of materials necessary to place the building in liveable condition will be agreed upon by you and us. We will not deduct for depreciation. Payment will not exceed the smaller of the following amounts:

- (a) the limit of liability under this policy applying to the building;
- (b) the amount actually and necessarily spent to repair or replace the damaged building.

(2) Actual Cash Value

- (a) if you decide not to repair or replace the damaged property, settlement will be on an actual cash value basis;
- (b) payment will never exceed the limit of liability applying to the building;
- (c) you may make a claim for any additional liability under the Repair Cost provision within 180 days after the loss if the actual repair or replacement is completed.

All other provisions of this policy apply.

SECTION I - ADDITIONAL COVERAGES

Debris Removal is replaced by the following:

1. Debris Removal. We will pay the reasonable expenses you incur in the removal of debris of covered property when coverage is afforded for the peril causing the loss. This expense is included in the limit applying to the damaged property.

We will pay up to \$500 in the aggregate for each loss to cover the reasonable expenses you incur in the removal of tree debris from the residence premises when the tree has damaged property covered under Coverage A.

When the amount payable for the property damage plus the debris removal expense exceeds the limit for the damaged property, an additional 5% of that limit is available for debris removal expense.

All other policy provisions apply.

FE-7540
(9/89)

SF- Kirk- 5439 37th ST
SF-00113

FE-8654
(4/98)

BODILY INJURY AMENDED DEFINITION ENDORSEMENT

The definition of bodily injury is replaced by the following:

"bodily injury":

a. means physical injury, sickness or disease to a person, including required care, loss of services and death resulting therefrom;

b. does not include:

(1) disease, bacteria, parasite, virus or other organism, any of which are communicable and transmitted by any insured to any other person;

(2) the exposure to any such disease, bacteria, parasite, virus or other organism by any insured to any other person; or

(3) emotional distress, mental anguish, humiliation, mental distress, mental injury or any similar injury unless it arises out of actual physical injury to some person.

All other policy provisions apply.

FE-8654
(4/98)

Printed in U.S.A.

SF- Kirk- 5439 37th ST
SF-00114

FE-5722

FUNGUS (INCLUDING MOLD) EXCLUSION ENDORSEMENT**DEFINITIONS**

In all policies, the following definition is added:

"fungus" means any type or form of fungi, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

SECTION I - LOSSES NOT INSURED

In SPECIAL FORM 3 policies only, item 1.j. is replaced by the following:

j. rust, or wet or dry rot;

The following is added to item 2. of Losses Not Insured in SPECIAL FORM 3 policies or under Losses Not Insured in BASIC MODIFIED REPLACEMENT COST - FORM 1 policies:

Fungus, including the growth, proliferation, spread or presence of fungus, and including:

- (1) any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the described premises or location of the rebuilding, repair or replacement of that property, by fungus;
- (2) any remediation of fungus, including the cost or expense to:
 - (a) remove or clean the fungus from covered property or to repair, restore or replace that property;
 - (b) tear out and replace any part of the building or other property as needed to gain access to the fungus;
 - (c) contain, treat, detoxify, neutralize or dispose of or in any way respond to or assess the effects of the fungus; or

FE-5722

(d) remove any property to protect it from the presence of or exposure to fungus;

- (3) the cost of any testing or monitoring of air or property to confirm the type, absence, presence or level of fungus, whether performed prior to, during or after removal, repair, restoration or replacement of covered property.

SECTION II - EXCLUSIONS

In all policies, the following exclusion is added to item 1.:

1. any:

- (1) **bodily injury, personal injury, or property damage** arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any fungus at or from any source or location; or
- (2) loss, cost or expense arising out of any:
 - (a) request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate or dispose of or in any way respond to or assess the effects of fungus; or
 - (b) claim or suit for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of fungus.

All other policy provisions apply.

FE-5841

AMENDATORY SUBROGATION CONDITION ENDORSEMENT

SECTION I AND SECTION II - CONDITIONS

Subrogation is replaced with the following:

Subrogation.

- a. If any **insured** to or for whom we make payment under this policy has rights to recover damages from another, those rights are automatically transferred to us to the extent of our payment. We are subrogated to the full extent of our payment and our rights are not dependent on whether that **insured** is fully compensated for their loss or is made whole. The application of a deductible under this policy shall not prevent any **insured** from being considered fully compensated or made whole.
- b. If any **insured** to or for whom we have made payment has not recovered from any party liable for the damages, that **insured** shall:
 - 1) take no action after a loss prejudicing our rights under this contract;

- 2) keep these rights in trust for us;
- 3) sign and deliver any legal papers we need;
- 4) when we ask, take action through our representative to recover our payments;
- 5) cooperate with us in a reasonable manner.
- c. If any **insured** to or for whom we have made payment recovers from any other party liable for the damages:
 - 1) that **insured** shall hold in trust for us the proceeds of the recovery; and
 - 2) that **insured** shall reimburse us to the extent of our payment.
- d. Any **insured** may waive in writing before a loss all rights of recovery against any person.

Subrogation does not apply under **SECTION II** to **PREMISES MEDICAL PAYMENTS**.

FE-5841

SF- Kirk- 5439 37th ST
SF-00116

AL-MISS (09)

PDQ - Name and Address

QNB001F0

F 93 EH2574 0 Team/Div/Unit: RDP RCUP

B

Type: RENTAL DWELL 3

Status: 20 EXTRACT - RENEWAL R Note IV

Eff: 11-02-2005 Exp: 11-02-2006

Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny) Ph: 334-644-2111

Addl interest: 01

Insured

1st Addl Type: MTG

N: KIRK, RANDALL C

A: PO BOX 384

C: LANETT AL

N: MC CORMICK, E J

A: PO BOX 55

C: CUSSETA AL

36863-0384

Ph: 334-576-5639 B

SSN 1: 421-92-1071

Zip: 36852-0055

DOB 1: 04-19-1960

Ins is: INDIVIDUAL

Location

5439 37TH ST SW

LANETT AL

Zip: 36863-4019

PDQ screen: Next system: PDQ Input screen

07/10/12
ID: NG8T

SF- Kirk- 5439 37th ST
SF-00117

AL-MISS (09)

PDQ - General Data

QNB002T6

F 93 EH2574 0 Name: KIRK, RANDALL C
Status: 20 EXTRACT - RENEWAL R Note IV

Type: RENTAL DWELL 3

Eff: 11-02-2005 EXP: 11-02-2006
Ratable: YES Prem code: 2 Term: 98

Last entry date: 09-19-2005 LPU date: 10-02-2007 Stat agent: 1520

Billing Information

Total premium: 539.00

Written dt: 11-02-1999

Acct renewal dt: 11-03-2005 B-10: N

Commission data

Occr	Agt	Mgr	CC	Np	Rate	Ctl	Premium
1	1520				0	0	539.00

PDQ Screen: _____ Next system: PDQ Input screen _____

07/10/12
ID: NG8T

SF- Kirk- 5439 37th ST
SF-00118

AL-MISS (09)

PDQ - Statistical Policy Information

QNB035A1

F 93 EH2574 0 Name: KIRK, RANDALL C
Eff: 11-02-2005 Exp: 11-02-2006

----Coverages----- --Med Pay Limits--
A33 1000

A32 300000

Forms and opt:

FP /8103/3 FE /7466/1 FE /7540 FE /8654 FE /5722
FE /5841

Risk no: 1

YR ISS 99 RATEIV 057 RATE V 17.00 ZONE V 5.03
SBZN V 5.03 IV 5

Total number of loc: 0001 Total coverage A: 58,200
Total coverage B: 2,910

PDQ screen: ____ Next system: PDQ Input screen ____

07/10/12
ID: NG8T

SF- Kirk- 5439 37th ST
SF-00119

AL-MISS (09)

PDQ - Statistical Line Information

QNB034W1

F 93 EH2574 0 Name: KIRK, RANDALL C

Eff: 11-02-2005 Exp: 11-02-2006

Ln	Index	Amount	Ded	Ded Liability	Annual Premium	Accounting Premium	Sp	Sb	Pol	Zn	Cov	Cd	Cd	R
001	R-194.8	58200	500	300000	539.00		45	RD	M	3	1			
Total:					539.00									

Ln	Loc No	Const	PC	Cnty	City	MTE	Yr Blt	Remod Yr	No Units	Spr	Cr	R
001	0001	F	4003	009	N000		1950		1			1

Ln	Hm Alert	Alarm Cr/Pct	New/Rem/OH	Sq Ft	Roof	Roof Cl	Area	Wind Cr	Eq	Cl	R
001	SA	\$9/ 2%	\$26	1500	S						1

Ln	BCEG	Certified BC	Improved BC	Yr	Community BC	LPEX	Stove	R
001								1

Ln	Roof Cov	Hail Res	Inst Dt	HRC/PCT	Subzn	WLRRP	WLRCr/Fct	R
001					03			1

PDQ screen: _____ Next system: PDQ Input screen _____ Loc: _____ 07/10/12
ID: NG8T

SF- Kirk- 5439 37th ST
SF-00120

AL-MISS (09)

PDQ - Underwriting Screen

QNB004T0

F 93 EH2574 0 Name: KIRK, RANDALL C
 Status: 20 EXTRACT - RENEWAL R Note IV

Type: RENTAL DWELL 3

Eff: 11-02-2005 Exp: 11-02-2006

Move-in: O

Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny) Phone: 334-644-2111
 Additional interests: 01 Yr blt: 1950 Yr iss: 1999

Forms and options: FP /8103/3 SPECIAL FORM

Deductibles

FE /7466/1	MOD REPL COST	ALL PERILS	500
FE /7540	DEBRIS REMOVAL		
FE /8654	BI AMENDED DEF		
FE /5722	FUNGUS EXCL		
FE /5841	AMEND SUB COND		

Coverages

Total coverage A	58200
Total coverage B	2910

Total premium: 539.00

----- Und Reports -----
 Vend Report Result Score Date
 I G 12-07-1999

Business liability (A32)	300000
Aggregate liability	600000
Med pay per person (A33)	1000

LNGTD: - 85.2494710
 LATUD: 32.8155930
 Match type: A

Loss history

Date of last CDQ: 08-25-2006

Claim	No Claims:	1
Number	Loss Date	Status
01X515222	04-19-2006	CLOSED

PDQ screen: ____ Next system: PDQ Input screen ____

07/10/12
 ID: NG8T

SF- Kirk- 5439 37th ST
 SF-00121

AL-MISS (09)

PDQ - Notes

QNB006D7

F 93 EH2574 0 Name: KIRK, RANDALL C Type: RENTAL DWELL 3
Agt: 1520-F282 Name: HOLLEY, DONALD A (Donny)

Roof: S 1500

Photo: 02-23-2004

Last reinspection: 02-23-2004

By: REGION

Entered: 04-16-2004

PDQ screen: ____ Next system: PDQ Input screen: ____

07/10/12
ID: NG8T

SF- Kirk- 5439 37th ST
SF-00122

AL-MISS (09)

Claim History Review

QNN542X3

Pol no: F 93 EH2574 0 Insured: KIRK, RANDALL C

Oper: NG8T

Yr iss: 1999 Exp: 11-02-2008 Type: RENTAL DWELL 3 SAS: Agt/AFO: 1520 F282

Status: 01 Prop amt: 64400 Ded: ALL PERILS 500 No claims: 1

No	Claim Number	Date of Loss	Cause/ Reason	Status
1	01X515222	04-19-2006	35/HLC	CLOSED

	Reserve Amount	Paid Amount	Recovery Amount	Expense Amount	Mold Ind Amount
1	0	2291	0	377	0

INSURED KIRK, RANDALL C

Initial dt closed: 09-19-2006

Selections: _____
Next System: PDQ PDQ screen: UND Page: 107/10/12
09:52:32
@NG8TSF- Kirk- 5439 37th ST
SF-00123

AL-MISS (09)

Claim Detail Cause

QNN544T0

Pol no: F 93 EH2574 0 SAS: Type: RENTAL DWELL 3
 Insured: KIRK, RANDALL C Agt: 1520 HOLLEY, DONALD A
 PO BOX 384 Exp: 11-02-2008
 Status: 01 NOT IN BILL CYCLE R No claims: 1
 Yr iss: 1999 Prop amt: 64400
 Ded: ALL PERILS 500

Claim no: 01X515222 Dt of loss: 04-19-2006 Dt closed: 06-29-2007 RC:
 Pol no: F 93 EH2574 0 Dt reported: 08-25-2006 Indem amt pd: 2291.91
 Agent: 1520 Suit/ADR: Y/ Reserve amt: 0.00
 Type: RENTAL DWELL 3 Cat code: RA Expense amt: 377.00
 Unit: 4 8 Salvage: NO Recovery amt: 0.00
 Status: CLOSED Subrogation: NO Mold ind amt: 0.00
 Claim off: MONTGOMERY OP CN
 Ins: KIRK, RANDALL C Claimant:
 PO BOX 384 Claimant dt of birth:
 Adjuster: ANGELA B PIERCE Adjuster phone no: 334-213-1082
 Und Rev: Initial dt closed: 09-19-2006

Cause/Line: 35/RD WIND OR HAIL - BUILDING
 Status: PD CLOSED BY FINAL INDEMNITY PAYMENT
 Indem amt pd: 2291.91 Reserve amt: 0.00 Loc no: 0001
 Expenses pd: 377.00 Recovery amt: 0.00
 Comment: HL HAIL LOSS

Cause/Line:
 Status:
 Indem amt pd: Reserve amt: Loc no:
 Expenses pd: Recovery amt:
 Comment:

Next system: PDQ PDQ screen: UND Page: 107/10/12
@NG8TSF- Kirk- 5439 37th ST
SF-00124

AL-MISS (09) **** PDQ - HISTORY OF TRANSACTION **** QNB007B7

F 93 EH2574 0 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
WRITTEN PREM AND COMM RELEASED		10-02-2007		
BILLING		09-18-2007	11-02-2007	588.00
RENEWAL COMM RELEASED (RENEWAL WRITTEN PREM RELEASED PREVIOUSLY)		11-03-2006		
WRITTEN PREM RELEASED WITHOUT COMM (RENEWAL EFFECTIVE DATE REACHED)		11-02-2006		
BILLING		09-18-2006	11-02-2006	577.00
RENEWAL COMM RELEASED (RENEWAL WRITTEN PREM RELEASED PREVIOUSLY)		11-03-2005		
WRITTEN PREM RELEASED WITHOUT COMM (RENEWAL EFFECTIVE DATE REACHED)		11-02-2005		
BILLING		09-19-2005	11-02-2005	539.00
WRITTEN PREM AND COMM RELEASED		10-04-2004		
BILLING		09-21-2004	11-02-2004	523.00
REINSPECTION Region	CMS8	04-16-2004	02-23-2004	
TOWNCLASS CHANGED BY RECODE		02-13-2004	02-13-2004	
WRITTEN PREM AND COMM RELEASED		10-07-2003		

*** OVERFLOW - PRESS PF14 ***

PDQ SCREEN ____ NEXT SYSTEM PDQ INPUT SCREEN ____07/10/12
ID: NG8T

AL-MISS (09) **** PDQ - HISTORY OF TRANSACTION **** QNB007B7

F 93 EH2574 0 NAME KIRK, RANDALL C

TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
1ST ADDITIONAL INTEREST CHANGED OLD MTG - 0754700007	ACDL	09-30-2003	09-26-2003	
BILLING		09-18-2003	11-02-2003	492.00
1ST ADDITIONAL INTEREST CHANGED OLD MTG - E.J. MC CORMICK	GG2N	01-30-2003		
WRITTEN PREM AND COMM RELEASED		10-01-2002		
BILLING		09-18-2002	11-02-2002	421.00
WRITTEN PREM AND COMM RELEASED		10-05-2001		
BILLING		09-18-2001	11-02-2001	376.00
CHG OF CO. - GENL TO FIRE		09-18-2001	11-02-2001	
BILLING EXTRACT		09-07-2001		
WRITTEN PREM AND COMM RELEASED		09-28-2000		
BILLING		09-18-2000	11-02-2000	291.00

*** OVERFLOW - PRESS PF14 ***

PDQ SCREEN ____ NEXT SYSTEM PDQ INPUT SCREEN ____07/10/12
ID: NG8TSF- Kirk- 5439 37th ST
SF-00126

AL-MISS (09) ***** PDQ - HISTORY OF TRANSACTION ***** QNB007B7

F 93 EH2574 0 NAME KIRK, RANDALL C

	TRANSACTION	OP ID	ENTRY DATE	EFFECTIVE DATE	PREMIUM
FPA CHANGED		HSEE	01-31-2000		
CODE CHANGE		HSEE	01-31-2000	01-31-2000	
NEW BUSINESS		HLOW	11-30-1999	11-02-1999	287.00

PDQ SCREEN _____ NEXT SYSTEM PDQ INPUT SCREEN _____07/10/12
ID: NG8TSF- Kirk- 5439 37th ST
SF-00127

AL-MISS (09) ***** HISTORY OF JOURNAL ACTIVITY SCREEN ***** QND536A2

93 EH2574 0 NAME KIRK, RANDALL C TYPE RENTAL DWELL 3

JNL DATE	JNL CO	AMOUNT	ACCOUNT	REMITTER/ PAYEE	CROSS REFERENCE	BALANCE DUE
10-03-07	PCT F	588.00	CR 336-00 CASH SUSP	INS		
	PCT F	588.00	DR 307-74 CPC PYMT	INS	IE20	
10-02-07	PCT F	588.00	CR 010-04 WRIT PREM			
	PCT F	588.00	DR 336-00 CASH SUSP			
11-06-06	PCT F	577.00	CR 336-00 CASH SUSP	INS		
	PCT F	577.00	DR 307-74 CPC PYMT	INS	IE20	
11-03-06	PCT F	577.00	DR 336-00 CASH SUSP			
	PCT F	577.00	CR 235-12 PICC			
11-02-06	PCT F	577.00	CR 010-04 WRIT PREM			
	PCT F	577.00	DR 235-12 PICC			577.00
11-04-05	PCT F	539.00	CR 336-00 CASH SUSP	INS		
	PCT F	539.00	DR 307-74 CPC PYMT	INS	IE20	
11-03-05	PCT F	539.00	DR 336-00 CASH SUSP			
	PCT F	539.00	CR 235-12 PICC			
11-02-05	PCT F	539.00	CR 010-04 WRIT PREM			
	PCT F	539.00	DR 235-12 PICC			539.00

PDQ SCREEN HIST NEXT SYSTEM PDQ07/10/12
@NG8TSF- Kirk- 5439 37th ST
SF-00128

Insured: Kirk, Randall
Policy: 93-EH2574

Eff/Ren date:
Survey type: Limited
FUSR: 78T156X1GRN5

Location street: 5439 37th St Sw
Location city: Lanett, AL 36863
Location county:
Mailing street: 5439 37th St Sw
Mailing city: Lanett, AL 36863

Hours of operation: to:

Contact:
Contact title:
Contact phone:

Survey status: Reviewed
Action taken on Policy: Issued

Date requested: 02/20/04 Date due: 03/20/04
Date completed: 02/23/04 Date reviewed: 04/16/04

Completed by: Keith Murdock
Reviewed by: Alex Fitts

Special comments:

02-23-4 The requested survey type "Residential P
& C" has not been completed. See narrative for additional
information.

Request - Policy

Assigned to: Murdock, Keith
Requested by: Fitts, Alex

Agent name: Holley, Donny
Agent code: 1520
AFO: F282

Application status: Written

Coverage amounts
Building:
Contents:
Liability:

Other policies: No

Summary Page

Sources of information
None

Attitude favorable: N/A

SF- Kirk- 5439 37th ST
SF-00129

Recs discussed with insured: N/A
Expect compliance: N/A
Recs discussed with agent: N/A
Risk meets CLM requirements: N/A
Future surveys suggested: N/A

Opinion of risk: Satisfactory

Date surveyed: 02/23/04

Narrative Page

AQA survey -- unable to verify address due to grouping
of houses and mailboxes

Narrative - Unsatisfactory items or concerns

Summary - Source of information - none

Recommendations Summary

Required:

None present

Suggested:

None present

Commercial Cost Guide Worksheet

No cost guide information entered

Directions

No information entered

Comments

No information entered



SF- Kirk- 5439 37th ST
SF-00131



SF- Kirk- 5439 37th ST
SF-00132

STATE = AL

RFRINO26
 STATE FARM INSURANCE COMPANIES
 PPC MAPCHECK WORKSHEET
 PPC FILE DATE 12-03-1999
 12-07-1999

COUNTY NAME: CHAMBERS

POLICY TYPE: RENTAL DWELLING (FORM 3)

PRIMARY FLAGS: D

POLICY NUMBER: G-93-EH-2574-0

SECONDARY FLAG: 1

INSURED: KIRK, RANDALL C

PHONE: (334)576-5639

AGENT: HOLLEY, DONALD A. 1520

PHONE: (334)644-2111

POLICY INFORMATION AS OF 12-07-1999

CORRECTED INFORMATION

LOCATION ADDRESS: 5439 37TH ST SW
 LANETT AL

ZIPCODE: 368634019

COUNTY: 009, CHAMBERS

PROTECTION CLASS: 6

FPA: 009LO^S LANETT FD

DISTANCE TO SFD: 3 MILES

PRFPA:

TOWNCLASS INFO
3RD DIGIT: 0

4TH DIGIT: 3

ZONE VERIFICATION
 CURRENT ZONE:
 GENERATED ZONE:

____ INCREASE ____ DECREASE ____ NO CHANGE

COMMENTS:

APPROVED BY: _____ DATE: _____

SF- Kirk- 5439 37th ST
 SF-00133

SUPPLEMENTAL APPLICATION-AGENT'S COPY

<input type="checkbox"/> RENTAL DWELLING <input type="checkbox"/> RENTAL CONDO UNIT APPLICATION		<input type="checkbox"/> State Farm Fire and Casualty Company <input checked="" type="checkbox"/> State Farm General Insurance Company Bloomington, Illinois		POLICY NUMBER ONLY 93-EH-2574-0 K	
Name: Kirk, Randolph Mailing address: PO Box 384 Location of premises: 5439 37th St SW Applicable's Social Security Number: 421-92-1071		Other State Farm insurance: <input type="checkbox"/> Auto <input checked="" type="checkbox"/> Fire <input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> None Term: 12 Months		City or town: Lanett State: AL Zip: 36863 County: Chambers Co-applicant's Social Security Number: 384 516-5639	
The named: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Partnership (give names of partners in Remarks) <input type="checkbox"/> Other (describe)		Applicant's specific occupation: Salesman			
Does this risk meet all Underwriting Guide requirements? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Most recent property insurer: None Did not own home					
Has any insurer or agency canceled or refused to issue or renew similar insurance to the named applicant or any household member within the past three years? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Year purchased: 1999 Purchase price: \$45,000 Current market value: \$45,000					
Who is responsible for the management, care and maintenance of the property? <input checked="" type="checkbox"/> Personal supervision of applicant <input type="checkbox"/> Real estate management company (give name and address in Remarks) <input type="checkbox"/> Other (explain in Remarks)					
Total number of rental dwellings/condo units currently owned by applicant: 2 Number insured with State Farm: 2					
Is there a wood stove or furnace, coal stove or free-standing fireplace anywhere on the property? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Is the building part of a Homeowners Association? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Is the building being remodeled? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
Describe remodeling in Remarks and give expected completion date: Good					
ROOF: NOTE - Dwellings with poor roofs are unacceptable and should not be written. Year replaced: 1995					
Indicate any of the following that might be of concern: <input type="checkbox"/> Possible hail damage <input type="checkbox"/> Curled shingles <input type="checkbox"/> Patched areas <input type="checkbox"/> Loose or missing shingles <input type="checkbox"/> Wear in valleys <input type="checkbox"/> Missing or replaced ridge row <input type="checkbox"/> Stain or rotting under eaves <input type="checkbox"/> Any interior leaks					
Does the dwelling have smoke detectors and do they meet code requirements? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
How long have you known the applicant? 15 yrs. Date you personally surveyed the premises: 11/2/99					
Regional Office copy of ECHO I.V. must be attached					
Zone: 73 Construction: <input checked="" type="checkbox"/> Masonry <input type="checkbox"/> Other (specify)					
Distance to: Servicing fire dept. 3 mi. Hydrant 500 ft. Name of Fire Protection Area (FPA) where the risk is located (as listed in CLM): Lanett					
Year built: 1950 If over 30 yrs. old, complete Over 30 section: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
First occupied: 1999 Occupied by: <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Dwelling Under Const.					
Home/Residential Alert Credit: 2 % (from Home/Residential Alert section on Supplemental application)					
Forms: <input checked="" type="checkbox"/> Special Form <input type="checkbox"/> Basic Form <input type="checkbox"/> Rental Condominium Unit (rented 100% of the time)					
A. Dwelling (for Condo Units, use Building Schedule)		Limits of Insurance: \$45,000		All Peril: <input checked="" type="checkbox"/> \$500 <input type="checkbox"/> Other	
Dwelling Extension (total amount including 10% from Coverage A) (N/A for condo units)		\$4,500		Hurricane Deductible: <input type="checkbox"/> 2% <input type="checkbox"/> 5% <input type="checkbox"/> 10% <input type="checkbox"/> 15%	
B. Business Property (total amount)		\$2,750		Replacement Cost on Contents: <input type="checkbox"/>	
C. Loss of Rents		Actual Loss Sustained		Loss Assessment Endorse. For Rental Dwellings Only (Must be part of a Homeowners Association. Do not bind if over \$25,000.)	
D. Loss Assessments (condo units only)		\$1,000		Building Ordinance or Law - % of Cov. A: <input type="checkbox"/>	
L. Business Liability (each occurrence)		\$300,000		Dwelling Under Construction: <input type="checkbox"/>	
M. Premises Medical Payments		\$1,000 RDP \$5,000 RCUP		Earthquake Coverage Endorsement: <input type="checkbox"/>	
Does building have masonry veneer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
If yes, is coverage desired on veneer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
SFP Account Number: 287				PREMIUM SUBTOTAL \$	
Surcharge if applicable: \$287				TOTAL PREMIUM \$287	
Agent's Code Stamp: '98 Bronze Tablet D. HOLLEY 01-1520 MONTGOMERY EAST F285					
Date and Time of Application: 11/2/99 10:00					
I understand that coverage is provided by this application. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
I am applying for the insurance indicated, and the statements on this application are correct. I understand that the premium shown above must comply with State Farm's rates and may be revised.					
Applicant's Signature: [Signature]					
Print Name of Authorized Representative: [Signature]					

FP-8103.3
(5/88)



**YOUR
STATE FARM
RENTAL DWELLING
POLICY**

**SF- Kirk- 5439 37th ST
SF-00136**

FP-8103.3
(5/88)

PRINTED
IN
U.S.A.

TABLE OF CONTENTS

DECLARATIONS

Your Name
Location of Your Residence
Policy Period
Coverages
Limits of Liability
Deductibles

	Begins on Page
AGREEMENT	1
DEFINITIONS	1
SECTION I - YOUR PROPERTY	
COVERAGES	2
Coverage A - Dwelling	2
Coverage B - Personal Property	2
Coverage C - Loss of Rents	3
Additional Coverages	3
Inflation Coverage	5
LOSSES INSURED	5
LOSSES NOT INSURED	5
CONDITIONS	7
SECTION II - YOUR LIABILITY	
COVERAGES	9
Coverage L - Business Liability	9
Coverage M - Premises Medical Payments	10
EXCLUSIONS	10
ADDITIONAL COVERAGES	13
CONDITIONS	13
SECTION I AND II - CONDITIONS	14
OPTIONAL PROVISIONS	15

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FP-8103.3
(5/88)

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SF- Kirk- 5439 37th ST
SF-00137

RENTAL DWELLING POLICY - SPECIAL FORM 3 AGREEMENT

We agree to provide the insurance described in this policy. provisions of this policy.
You agree to pay premiums when due and comply with the

DEFINITIONS

"You" and "your" mean the "named insured" shown in the **Declarations**. Your spouse is included if a resident of your household. "We", "us" and "our" mean the Company shown in the **Declarations**.

Certain words and phrases are defined as follows:

1. "**bodily injury**" means bodily harm, sickness or disease. This includes required care, loss of services and death resulting therefrom. **Bodily injury** does not include any of the following which are communicable: disease, bacteria, parasite, virus, or other organism, any of which are transmitted by any **insured** to any other person. It also does not include the exposure to any such disease, bacteria, parasite, virus, or other organism by any **insured** to any other person.
2. "**contract**" means any written **contract** or agreement wherein the **named insured** has expressly assumed liability for damages to which this policy applies.
3. "**Declarations**" means the policy **Declarations**, any amended **Declarations**, the most recent renewal notice or certificate, an Evidence of Insurance form, or any endorsement changing any of these.
4. "**insured**" means:
 - a. if the **named insured** is designated in the **Declarations** as an individual and is a sole proprietor, the **named insured** and spouse;
 - b. if the **named insured** is designated in the **Declarations** as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof;
 - c. if the **named insured** is designated in the **Declarations** as other than an individual, partnership or joint venture, the organization trustees, directors or governors or stockholder thereof while acting within the scope of their duties;

d. any employee of the **named insured** while acting within the scope of that employment;

e. any person or organization while acting as real estate manager for the **named insured**.

The insurance afforded applies separately to each **insured** against whom claim is made, or suit is brought except with respect to the limit of our Company's liability.

This insurance does not apply to **bodily injury** or **personal injury** or **property damage** arising out of the conduct of any partnership or joint venture which is not designated in this policy as a **named insured**.

5. "**insured premises**" means:

- a. the **residence premises**;
- b. one or two family premises of which you acquire ownership or control and for which you report your intention to insure under this policy within 30 days after acquisition;
- c. the ways immediately adjoining on land; and
- d. one or two family dwelling premises alienated by any **insured** if possession has been given to others.

6. "**motor vehicle**", when used in Section II of this policy means:

- a. a motorized land vehicle designed for travel on public roads or subject to motor vehicle registration. A motorized land vehicle in dead storage on an **insured premises** is not a **motor vehicle**;
- b. a trailer or semi-trailer designed for travel on public roads and subject to motor vehicle registration. A boat, camp, home or utility trailer not being towed by or carried on a vehicle included in 6.a. is not a **motor vehicle**;

- c. a motorized golf cart, snowmobile, or other motorized land vehicle owned by any **insured** and designed for recreational use off public roads, while off an **insured premises**. A motorized golf cart while used for golfing purposes is not a **motor vehicle**;
 - d. a motorized bicycle, tricycle or similar type of equipment owned by any **insured** while off an **insured premises**;
 - e. any vehicle while being towed by or carried on a vehicle included in 6.a., 6.b., 6.c., or 6.d.
7. "**named insured**" means the person or organization named in the **Declarations** of this policy;
 8. "**occurrence**", when used in Section II of this policy, means an accident, including exposure to conditions, which results in:
 - a. **bodily injury**;
 - b. **property damage**; or

c. **personal injury**;

during the policy period. Repeated or continuous exposure to the same general conditions is considered to be one **occurrence**.

9. "**personal injury**" means injury arising out of one or more of the following offenses:
 - a. false arrest, detention or imprisonment or malicious prosecution;
 - b. libel, slander or defamation of character; or
 - c. invasion of privacy, wrongful eviction or wrongful entry.
10. "**property damage**" means physical damage to or destruction of tangible property, including loss of use of this property. Theft or conversion of property by any **insured** is not considered to be **property damage**.
11. "**residence premises**" means the one or two family dwelling, other structures, and grounds which is shown in the **Declarations**.

SECTION I - COVERAGES

COVERAGE A - DWELLING

We cover:

1. the dwelling on the **residence premises** shown in the **Declarations** used principally as a private residence, including structures attached to the dwelling;
2. materials and supplies located on or adjacent to the **residence premises** for use in the construction, alteration or repair of the dwelling or other structures on the **residence premises**;
3. wall-to-wall carpeting attached to the dwelling on the **residence premises**; and
4. outdoor antennas.

Except as specifically provided in the **SECTION I, ADDITIONAL COVERAGES**, for **Land**, we do not cover land or any costs required to replace, rebuild, stabilize or otherwise restore the land.

Dwelling Extension. We cover other structures on the **residence premises**, separated from the dwelling by clear

space. Structures connected to the dwelling by only a fence, utility line, or similar connection are considered to be other structures.

We do not cover other structures:

1. not permanently attached to or otherwise forming a part of the realty;
2. used in whole or in part for commercial, manufacturing or farming purposes; or
3. rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage.

COVERAGE B - PERSONAL PROPERTY

We cover personal property owned or used by any **insured** which is rented or held for rental with the **residence premises** or used for the maintenance of the **residence premises**. This coverage applies only while the personal property is on the **residence premises** or temporarily off premises for repairs.

SF- Kirk- 5439 37th ST
SF-00139

FORM 3

Property Not Covered. We do not cover:

1. articles separately described and specifically insured in this or any other insurance;
2. animals, birds or fish;
3. any engine or motor propelled vehicle or machine, including the parts, designed for movement on land. We do cover those used solely for the service of the **residence premises** and not licensed for use on public highways;
4. watercraft, including motors, equipment and accessories;
5. aircraft and parts;
6. outdoor signs.

COVERAGE C - LOSS OF RENTS

The limit of liability for Coverage C is the total limit for all the following coverages.

1. **Fair Rental Value.** If a Loss Insured causes that part of the **residence premises** rented to others or held for rental by you to become uninhabitable, we cover its fair rental value. Payment shall be for the shortest time required to repair or replace the part of the premises rented or held for rental but not exceeding 12 consecutive months from the date of loss. This period of time is not limited by expiration of this policy. Fair rental value shall not include any expense that does not continue while that part of the **residence premises** rented or held for rental is uninhabitable.
2. **Prohibited Use.** If a civil authority prohibits you from use of the **residence premises** as a result of direct damage to neighboring premises by a Loss Insured in this policy, we cover any resulting Fair Rental Value loss for a period not exceeding two weeks during which use is prohibited.

We do not cover loss or expense due to cancellation of a lease or agreement.

ADDITIONAL COVERAGES

1. **Debris Removal.** We will pay the reasonable expense incurred by you in the removal of debris of covered property provided coverage is afforded for the peril

causing the loss. Debris removal expense is included in the limit of liability applying to the damaged property. When the amount payable for the actual damage to the property plus the expense for debris removal exceeds the limit of liability for the damaged property, an additional 5% of that limit of liability will be available to cover debris removal expense.

2. **Reasonable Repairs.** We will pay the reasonable cost incurred by you of repairing damage to covered property necessary to protect the property from further damage or loss, provided coverage is afforded for the peril causing the loss. This coverage does not increase the limit of liability applying to the property being repaired.
3. **Trees, Shrubs and Other Plants.** We cover outdoor trees, shrubs, plants or lawns, on the **residence premises**, for loss caused by the following Losses Insured: Fire or lightning, Explosion, Riot or civil commotion, Aircraft, Vehicles not owned or operated by a resident of the **residence premises**, Vandalism or malicious mischief or Theft. The limit of liability for this coverage shall not exceed 5% of the limit of liability that applies to the dwelling for all trees, shrubs, plants and lawns nor more than \$500 for any one tree, shrub or plant. This coverage may increase the limit of liability otherwise applicable. We do not cover property grown for business purposes.
4. **Fire Department Service Charge.** We will pay up to \$500 for your liability assumed by **contract** or agreement for fire department charges incurred when the fire department is called to save or protect covered property from a Loss Insured. No deductible applies to this coverage. This coverage may increase the limit otherwise applicable.
5. **Property Removed.** Covered property, while being removed from a premises endangered by a Loss Insured, is covered for direct loss from any cause. This coverage also applies to the property for up to 30 days while removed. We will also pay for reasonable expenses incurred by you for the removal and return of the covered property. This coverage does not increase the limit applying to the property being removed.
6. **Personal Effects.** We will pay up to \$500 for loss at the **residence premises** caused by a Loss Insured to personal effects of others while such property is in your

care, custody or control. This coverage is subject to the limitations and exclusions applicable to Coverage B - Personal Property. This coverage is limited to \$100 per person and does not increase the limit of liability applying to Coverage B - Personal Property.

7. **Burglary.** We will pay for loss of personal property owned or used by any insured which is rented or held for rental with the residence premises, when the loss is from a known location within a building on the residence premises when it is probable that the property has been stolen and there is visible evidence of forcible entry to or forcible exit from that building. This coverage does not increase the limit of liability applying to Coverage B - Personal Property.
8. **Arson Reward.** We will pay \$1,000 for information which leads to an arson conviction in connection with a fire loss to property covered by this policy. This coverage may increase the limit otherwise applicable. However, the \$1,000 limit shall not be increased regardless of the number of persons providing information.
9. **Land.** We will pay up to \$10,000 for the cost required to replace, rebuild, stabilize or otherwise restore the land necessary to support the insured dwelling sustaining a covered loss. This may increase the limit applying to the property.
10. **Volcanic Action.** We cover direct physical loss to a covered building or covered property contained in a building resulting from the eruption of a volcano when the loss is directly and immediately caused by:
 - a. volcanic blast or airborne shock waves;
 - b. ash, dust or particulate matter; or
 - c. lava flow.

We will also pay for the removal of that ash, dust or particulate matter which has caused direct physical loss to a covered building or covered property contained in a building.

One or more volcanic eruptions that occur within a 72-hour period shall be considered one volcanic eruption.

This coverage does not increase the limits applying to the damaged property.

11. **Collapse.** We insure for direct physical loss to covered property involving collapse of a building or any part of a building caused only by one or more of the following:

- a. fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire extinguishing equipment, volcanic action, falling objects, weight of ice, snow or sleet, water damage, breakage of building glass, all only as insured against in this policy;

- (1) falling objects does not include loss of or damage to:

- (a) personal property in the open; or

- (b) the interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object;

- (2) water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam;

- b. hidden decay;

- c. hidden insect or vermin damage;

- d. weight of contents, equipment, animals or people;

- e. weight of ice, snow, sleet or rain which collects on a roof; or

- f. use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.

Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under items b., c., d., e., and f. unless the loss is a direct result of the collapse of a building.

Collapse does not include settling, cracking, shrinking, bulging or expansion.

This coverage does not increase the limit applying to the damaged property.

INFLATION COVERAGE

The limits of liability shown in the **Declarations** for Coverages A and B will be increased at the same rate as the increase in the Inflation Coverage Index shown in the **Declarations**.

To find the limits on a given date:

1. divide the Index on that date by the Index as of the effective date of this Inflation Coverage provision; then
2. multiply the resulting factor by the limits of liability for Coverage A and Coverage B separately.

The limits of liability will not be reduced to less than the amounts shown in the **Declarations**.

If during the term of this policy, the Coverage A limit of liability is changed at your request, the effective date of this Inflation Coverage provision is changed to coincide with the effective date of such change.

SECTION I - LOSSES INSURED

COVERAGE A - DWELLING AND COVERAGE B - PERSONAL PROPERTY

We insure for accidental direct physical loss to the property described in Coverage A and Coverage B, except as provided in Section I - Losses Not Insured.

vided in Section I - Losses Not Insured.

SECTION I - LOSSES NOT INSURED

1. We do not insure for loss to the property described in Coverage A and Coverage B either consisting of, or directly and immediately caused by, one or more of the following:
 - a. collapse, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES** for **Collapse**;
 - b. freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system, or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing, while the dwelling is vacant, unoccupied or being constructed unless you have used reasonable care to:
 - (1) maintain heat in the building; or
 - (2) shut off the water supply and drain the system and appliances of water;
 - c. freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock;
 - d. theft in or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is completed and occupied;
 - e. theft of any property which is not actually part of any building or structure;
 - f. mysterious disappearance;
 - g. vandalism and malicious mischief or breakage of glass and safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
 - h. continuous or repeated seepage or leakage of water or steam from a:
 - (1) heating, air conditioning or automatic fire protective sprinkler system;
 - (2) household appliance; or
 - (3) plumbing system, including from, within or around any shower stall, shower bath, tub installation, or other plumbing fixture, including their walls, ceilings or floors;

which occurs over a period of time and results in deterioration, rust, mold, or wet or dry rot. If loss is caused by water or steam not otherwise excluded, we will cover the cost of tearing out and replacing any part of the building necessary to repair the system or appliance. We do not cover loss to the system or appliance from which the water or steam escaped;

- i. wear, tear, marring, scratching, deterioration, inherent vice, latent defect and mechanical breakdown;
- j. rust, mold, or wet or dry rot;
- k. contamination;
- l. smog, smoke from agricultural smudging or industrial operations;
- m. settling, cracking, shrinking, bulging, or expansion of pavements, patios, foundation, walls, floors, roofs or ceilings;
- n. birds, vermin, rodents, insects or domestic animals. We do cover the breakage of glass or safety glazing material which is a part of a building, when caused by birds, vermin, rodents, insects or domestic animals.

However, we do insure for any ensuing loss from items a. through n. unless the loss is itself a Loss Not Insured by this Section.

- 2. We do not insure under any coverage for any loss which would not have occurred in the absence of one or more of the following excluded events. We do not insure for such loss regardless of: (a) the cause of the excluded event; or (b) other causes of the loss; or (c) whether other causes acted concurrently or in any sequence with the excluded event to produce the loss.
 - a. **Ordinance or Law**, meaning enforcement of any ordinance or law regulating the construction, repair, or demolition of a building or other structure, unless specifically provided under this policy.
 - b. **Earth Movement**, meaning the sinking, rising, shifting, expanding, or contracting of earth, all whether combined with water or not. Earth movement includes but is not limited to earthquake,

landslide, mudflow, sinkhole, subsidence and erosion. Earth movement also includes volcanic explosion or lava flow, except as specifically provided in **SECTION I, ADDITIONAL COVERAGES for Volcanic Action**.

We do insure for any direct loss by fire, explosion other than explosion of a volcano, theft, or breakage of glass or safety glazing materials resulting from earth movement.

c. **Water Damage**, meaning:

- (1) flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
- (2) water which backs up through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
- (3) natural water below the surface of the ground, including water which exerts pressure on, or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure.

However, we do insure for direct loss by fire, explosion, or theft resulting from water damage.

- d. **Neglect**, meaning neglect of the **insured** to use all reasonable means to save and preserve property at and after the time of a loss, or when property is endangered by a Loss Insured.
- e. **War**, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental.
- f. **Nuclear Hazard**, meaning any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these. Loss caused by

the nuclear hazard shall not be considered loss caused by fire, explosion, or smoke. However, we do insure for direct loss by fire resulting from the nuclear hazard.

3. We do not insure under any coverage for any loss consisting of one or more of the items below. Further, we do not insure for loss described in paragraphs 1. and 2. immediately above regardless of whether one or more of the following: (a) directly or indirectly cause, contribute to or aggravate the loss; or (b) occur before, at the same time, or after the loss or any other cause of the loss:
 - a. conduct, act, failure to act, or decision of any person, group, organization or governmental body whether intentional, wrongful, negligent, or without fault;

- b. defect, weakness, inadequacy, fault or unsoundness in:

- (1) planning, zoning, development, surveying, siting;
- (2) design, specifications, workmanship, construction, grading, compaction;
- (3) materials used in construction or repair; or
- (4) maintenance;

of any property (including land, structures, or improvements of any kind) whether on or off the residence premises.

However, we do insure for any ensuing loss from items a. and b. unless the ensuing loss is itself a Loss Not Insured by this Section.

SECTION I - CONDITIONS

1. **Insurable Interest and Limit of Liability.** Even if more than one person has an insurable interest in the property covered, we shall not be liable:
 - a. to the insured for an amount greater than the insured's interest; nor
 - b. for more than the applicable limit of liability.
2. **Your Duties After Loss.** In case of a loss to which this insurance may apply, you shall see that the following duties are performed:
 - a. give immediate notice to us or our agent, and in case of theft, vandalism, or malicious mischief, also to the police;
 - b. protect the property from further damage or loss, make reasonable and necessary repairs required to protect the property, and keep an accurate record of repair expenditures;
 - c. prepare an inventory of damaged personal property showing in detail, the quantity, description, actual cash value and amount of loss. Attach to the inventory all bills, receipts and related documents that substantiate the figures in the inventory;

- d. as often as we reasonably require:
 - (1) exhibit the damaged property;
 - (2) provide us with records and documents we request and permit us to make copies; and
 - (3) submit to examinations under oath and subscribe the same;
- e. submit to us, within 60 days after the loss, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
 - (1) the time and cause of loss;
 - (2) interest of the insured and all others in the property involved and all encumbrances on the property;
 - (3) other insurance which may cover the loss;
 - (4) changes in title or occupancy of the property during the term of this policy;
 - (5) specifications of any damaged building and detailed estimates for repair of the damage;
 - (6) an inventory of damaged personal property described in 2.c.;
 - (7) records supporting the fair rental value loss.

SF- Kirk- 5439 37th ST
SF-00144

FORM

3. Loss Settlement. Covered property losses are settled as follows:

- a. Personal property and structures that are not buildings at actual cash value, up to the applicable limit of liability, at the time of loss. There may be deduction for depreciation. We will not pay an amount exceeding that necessary to repair or replace;
- b. Carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, at actual cash value, up to the applicable limit of liability, at the time of loss. We will not pay an amount exceeding that necessary to repair or replace;
- c. Buildings under Coverage A at replacement cost without deduction for depreciation, subject to the following:
 - (1) We will not pay more than the \$10,000 limit on Land as provided in **SECTION I, ADDITIONAL COVERAGES.**
 - (2) We will pay the cost of repair or replacement, without deduction for depreciation, but not exceeding the smallest of the following amounts:
 - (a) the limit of liability under this policy applying to the building;
 - (b) the replacement cost of that part of the building damaged for equivalent construction and use on the same premises; or
 - (c) the amount actually and necessarily spent to repair or replace the damaged building.
 - (3) We will pay the actual cash value of the damage to the buildings, up to the policy limit, until actual repair or replacement is completed.
 - (4) You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss or damage to buildings on an actual cash value basis and then make claim within 180 days after loss for any additional liability on a replacement cost basis.

4. Loss to a Pair or Set. In case of loss to a pair or set we may elect to:

- a. repair or replace any part to restore the pair or set to its value before the loss; or
- b. pay the difference between actual cash value of the property before and after the loss.

5. Glass Replacement. Loss for damage to glass caused by a Loss Insured shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

6. Appraisal. If you and we fail to agree on the amount of loss, either one can demand that the amount of the loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the residence premises is located to select an umpire. The appraisers shall then set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

7. Other Insurance. If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss.

8. Suit Against Us. No action shall be brought unless there has been compliance with the policy provisions and the action is started within one year after the date of loss or damage.

9. Our Option. We may repair or replace any part of the property damaged or stolen with equivalent property.

Any property we pay for or replace becomes our property.

10. **Loss Payment.** We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- a. reach agreement with you;
- b. there is an entry of a final judgment; or
- c. there is a filing of an appraisal award with us.

11. **Abandonment of Property.** We need not accept any property abandoned by any insured.

12. **Mortgage Clause.** The word "mortgagee" includes trustee.

- a. If a mortgagee is named in this policy, any loss payable under Coverage A shall be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment shall be the same as the order of precedence of the mortgages.

- b. If we deny your claim, that denial shall not apply to a valid claim of the mortgagee, if the mortgagee:

- (1) notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
- (2) pays any premium due under this policy on demand if you have neglected to pay the premium;
- (3) submits a signed, sworn statement of loss within 60 days after receiving notice from us of

your failure to do so. Policy conditions relating to Appraisal, Suit Against Us and Loss Payment apply to the mortgagee.

- c. If this policy is cancelled by us, the mortgagee shall be notified at least 10 days before the date cancellation takes effect.

- d. If we pay the mortgagee for any loss and deny payment to you:

- (1) we are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- (2) at our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we shall receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

- e. Subrogation shall not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

13. **No Benefit to Bailee.** We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this policy.

14. **Intentional Acts.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then this policy is void and we will not pay you or any other insured for this loss.

SECTION II - LIABILITY COVERAGES

COVERAGE L - BUSINESS LIABILITY

If a claim is made or a suit is brought against any insured for damages because of **bodily injury, personal injury, or property damage** to which this coverage applies, caused by an **occurrence**, and which arises from the ownership, maintenance, or use of the insured premises, we will:

- 1. pay up to our limit of liability for the damages for which the insured is legally liable; and

- 2. provide a defense at our expense by counsel of our choice. We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suit ends when the amount we pay for damages, to effect settlement or satisfy a judgment resulting from the **occurrence**, equals our limit of liability.

SF- Kirk- 5439 37th ST
SF-00146

The total limit of the Company's liability for all occurrences in any one policy year shall not exceed the annual aggregate limit shown in the **Declarations** for Coverage L - Business Liability.

COVERAGE M - PREMISES MEDICAL PAYMENTS

We will pay the necessary medical expenses incurred or medically ascertained within three years from the date of

an accident causing **bodily injury** which arises out of a condition on the **insured premises** or for which the **insured** is provided **bodily injury** liability coverage under this policy. Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services.

SECTION II - EXCLUSIONS

1. Coverage L - Business Liability and Coverage M - Premises Medical Payments do not apply to:

a. bodily injury, personal injury, or property damage:

- (1) which is either expected or intended by an insured; or
- (2) to any person or property which is the result of willful and malicious acts of an insured;

b. bodily injury, personal injury, or property damage arising out of the rendering or failing to render professional services:

c. bodily injury, personal injury, or property damage arising out of the ownership, maintenance, use, loading or unloading of:

- (1) aircraft;
- (2) any motor vehicle owned or operated by, or rented or loaned to any insured; or
- (3) any watercraft owned by or operated by, or rented or loaned to any insured;

d. bodily injury, personal injury, or property damage arising out of:

- (1) the entrustment by any insured to any person;
- (2) the negligent supervision by any insured of any person;
- (3) any liability statutorily imposed on any insured; or
- (4) any liability assumed through an unwritten or written agreement by any insured;

with regard to the ownership, maintenance or use of any aircraft, watercraft, or motor vehicle (or any other motorized land conveyance) which is not covered under Section II of this policy;

e. bodily injury, personal injury, or property damage caused directly or indirectly by war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon shall be deemed a warlike act even if accidental;

f. bodily injury, personal injury, or property damage arising out of premises, other than the insured premises, or to liability assumed by the insured under any contract or agreement relating to such premises;

g. to bodily injury or property damage for which the insured may be held liable:

- (1) as a person or organization engaged in the business of manufacturing, distributing, selling or serving alcoholic beverages; or
- (2) if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - (a) by, or because of the violation of any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverages; or
 - (b) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or

which causes or contributes to the intoxication of any person;

but part (b) of this exclusion does not apply with respect to liability of the **insured** or his indemnitee as an owner or lessor described in (2) above;

h. the legal liability of any **insured** to:

(1) any person who is in the care of any **insured** because of child care services provided by or at the direction of:

(a) any **insured**;

(b) any employee of any **insured**; or

(c) any other person actually or apparently acting on behalf of any **insured**;

(2) any person who makes a claim because of **bodily injury** or **property damage** to any person who is in the care of any **insured** because of child care services provided by or at the direction of:

(a) any **insured**;

(b) any employee of any **insured**; or

(c) any other person actually or apparently acting on behalf of any **insured**;

i. **bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, spill, release or escape of pollutants:

(1) at or from premises owned, rented or occupied by the **named insured**;

(2) at or from any site or location used by or for the **named insured** or others for the handling, storage, disposal, processing or treatment of waste;

(3) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for the **named insured** or any person or organization for whom the **named insured** may be legally responsible; or

(4) at or from any site or location on which the **named insured**, employee or any contractor or subcontractor working directly or indirectly on behalf of the **named insured** is performing operations:

(a) if the pollutants are brought on or to the site or location in connection with such operations; or

(b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Subparagraphs (1) and (4)(a) of this exclusion do not apply to **bodily injury** or **property damage** caused by heat, smoke or fumes which result from a hostile fire or poisoning or asphyxiation due to escape of fumes from a furnace or flue because of a malfunction of the furnace or flue.

In addition, Coverage L and Coverage M do not apply to loss, cost or expense arising out of any governmental direction or request that the **named insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants;

As used in this exclusion:

"hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

"waste" includes materials to be recycled, reconditioned or reclaimed.

j. **bodily injury** to an employee of the **insured** arising out of and in the course of employment by the **insured** or the spouse, child, parent, brother or sister of that employee as a consequence of employment of that employee by the **insured**.

This exclusion applies:

(1) whether the **insured** may be liable as an employer or in any other capacity; and

- (2) to any obligation to share damages with or repay someone else who must pay damages because of the injury;
 - k. **bodily injury** to you or any **insured** and if residents of your household:
 - (1) your relatives;
 - (2) any other person under the age of 21 who is in the care of an **insured**.
2. **Coverage L - Business Liability**, does not apply to:
- a. liability:
 - (1) for your share of any loss assessment charged against all members of an association of property owners; or
 - (2) assumed under any unwritten **contract** or agreement, or by **contract** or agreement in connection with any business of the **insured** other than the rental of the **insured premises**;
 - b. **property damage** to property owned by any **insured**;
 - c. **property damage** to property rented to, occupied or used by or in the care of the **insured**;
 - d. **bodily injury** or **personal injury** to any person eligible to receive any benefits required to be provided or voluntarily provided by the **insured** under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - e. **bodily injury, personal injury, or property damage** for which any **insured** under this policy is also an **insured** under a nuclear energy liability policy or would be an **insured** but for its termination upon exhaustion of its limit of liability. A nuclear energy liability policy is a policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors;

- f. **personal injury** caused by a violation of a penal law or ordinance committed by or with the knowledge or consent of any **insured**;
 - g. **personal injury** sustained by any person as a result of an offense directly or indirectly related to the employment of the person by the **insured**;
 - h. **personal injury** arising out of any publication or utterance in item b. of the definition of **personal injury**:
 - (1) if the first injurious publication or utterance of the same or similar material by or on behalf of the **insured** was made prior to the effective date of this insurance; or
 - (2) concerning any business or services made by or at the direction of any **insured** with knowledge of the falsity;
 - i. **property damage** or **personal injury** to premises you sell, give away or abandon, if the **property damage**, or **personal injury** arises out of those premises.
3. **Coverage M - Premises Medical Payments** does not apply to **bodily injury**:
- a. to any person, eligible to receive any benefits required to be provided or voluntarily provided under any workers' or workmen's compensation, non-occupational disability or occupational disease law;
 - b. from any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these;
 - c. to any **insured**, any tenant or other person regularly residing on the **insured premises** or to any employees of any of the foregoing if the **bodily injury** arises out of or in the course of their employment;
 - d. to any person engaged in maintenance and repair of the **insured premises** or alteration, demolition or new construction at such premises.

SECTION II - ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

1. Claim Expenses. We pay:

- a. expenses incurred by us and costs taxed against any **insured** in any suit we defend;
- b. premiums on bonds required in a suit defended by us, but not for bond amounts greater than the limit of liability for Coverage L. We are not obligated to apply for or furnish any bond;
- c. reasonable expenses incurred by any **insured** at our request, including actual loss of earnings (but not loss of other income) up to \$50 per day for assisting

us in the investigation or defense of any claim or suit;

- d. prejudgment interest awarded against the **insured** on that part of the judgment we pay; and
- e. interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

2. First Aid Expenses. We will pay expenses for first aid to others incurred by any **insured** for **bodily injury** covered under this policy. We will not pay for first aid to you or any other **insured**.

SECTION II - CONDITIONS

1. **Limit of Liability.** The Coverage L limit is shown in the **Declarations**. This is our limit for all damages from each **occurrence** regardless of the number of **insureds**, claims made or persons injured.

The Coverage M limit is shown in the **Declarations**. This is our limit for all medical expense payable for **bodily injury** to one person as the result of one accident.

2. **Severability of Insurance.** This insurance applies separately to each **insured**. This condition shall not increase our limit of liability for any one **occurrence**.

3. **Duties After Loss.** In case of an accident or **occurrence**, the **insured** shall perform the following duties that apply. You shall cooperate with us in seeing that these duties are performed:

- a. give written notice to us or our agent as soon as practicable, which sets forth:

- (1) the identity of this policy and **insured**;
- (2) reasonably available information on the time, place and circumstances of the accident or **occurrence**; and
- (3) names and addresses of any claimants and available witnesses;

- b. immediately forward to us every notice, demand, summons or other process relating to the accident or **occurrence**;

- c. at our request, assist in:

- (1) making settlement;
- (2) the enforcement of any right of contribution or indemnity against any person or organization who may be liable to any **insured**;
- (3) the conduct of suits and attend hearings and trials;
- (4) securing and giving evidence and obtaining the attendance of witnesses;

- d. the **insured** shall not, except at the **insured's** own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of the **bodily injury**.

4. **Duties of an Injured Person - Coverage M - Provides Medical Payments.** The injured person, or, when appropriate, someone acting on behalf of that person shall:

- a. give us written proof of claim, under oath if required, as soon as practicable;
- b. execute authorization to allow us to obtain copies of medical reports and records; and

c. submit to physical examination by a physician selected by us when and as often as we reasonably require.

5. **Payment of Claim - Coverage M - Premises Medical Payments.** Payment under this coverage is not an admission of liability by any insured or us.

6. **Suit Against Us.** No action shall be brought against us unless there has been compliance with the policy provisions.

No one shall have any right to join us as a party to any action against any insured. Further, no action with re-

spect to Coverage L shall be brought against us until the obligation of the insured has been determined by final judgment or agreement signed by us.

7. **Bankruptcy of any Insured.** Bankruptcy or insolvency of any insured shall not relieve us of any of our obligations under this policy.

8. **Other Insurance - Coverage L - Business Liability.** This insurance is excess over any other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

SECTION I AND SECTION II - CONDITIONS

1. **Policy Period.** This policy applies only to loss under Section I or **bodily injury, personal injury, or property damage** under Section II which occurs during the period this policy is in effect.

2. **Concealment or Fraud.** This policy is void as to you and any other insured, if you or any other insured under this policy has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, whether before or after a loss.

3. **Liberalization Clause.** If we adopt any revision which would broaden coverage under this policy without additional premium, within 60 days prior to or during the period this policy is in effect, the broadened coverage will immediately apply to this policy.

4. **Waiver or Change of Policy Provisions.** A waiver or change of any provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination shall not waive any of our rights.

5. **Cancellation.**

a. You may cancel this policy at any time by notifying us in writing of the date cancellation is to take effect. We may waive the requirement that the notice be in writing by confirming the date and time of cancellation to you in writing.

b. We may cancel this policy only for the reasons stated in this condition by notifying you in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to

you at your mailing address shown in the **Declarations**. Proof of mailing shall be sufficient proof of notice:

(1) When you have not paid the premium, whether payable to us or to our agent or under any finance or credit plan, we may cancel at any time by notifying you at least 10 days before the date cancellation takes effect.

(2) When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by notifying you at least 10 days before the date cancellation takes effect.

(3) When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if there has been a material misrepresentation of fact which, if known to us, would have caused us not to issue this policy or if the risk has changed substantially since the policy was issued. We may cancel this policy by notifying you at least 30 days before the date cancellation takes effect.

(4) When this policy is written for a period longer than one year, we may cancel for any reason at anniversary by notifying you at least 30 days before the date cancellation takes effect.

c. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded. When you request can-

cellation, the return premium will be based on our rules for such cancellation. The return premium may be less than a full pro rata refund. When we cancel, the return premium will be pro rata.

- d. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.
6. **Non-Renewal.** We may elect not to renew this policy. If we elect not to renew, a written notice will be delivered to you, or mailed to you at your mailing address shown in the **Declarations**. The notice will be mailed or delivered at least 30 days before the expiration date of this policy. Proof of mailing shall be sufficient proof of notice.

7. **Assignment.** Assignment of this policy shall not be valid unless we give our written consent.

8. **Subrogation.** Any **insured** may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, any **insured** shall sign and deliver all related papers and cooperate with us in any reasonable manner.

Subrogation does not apply under Section II to Premises Medical Payments.

9. **Death.** If any person named in the **Declarations** or the spouse, if a resident of the same household, dies:

- a. we insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under this policy at the time of death;
- b. **insured** includes with respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

10. **Conformity to State Law.** When a policy provision is in conflict with the applicable law of the State in which this policy is issued, the law of the State will apply.

11. **Inspection and Audit.** We shall be permitted but not obligated to inspect your property and operations at any time. However, our right to inspect or our actual inspection and report shall not constitute an undertaking on your behalf or for your benefit or the benefit of others to determine or warrant that the property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

We may examine and audit your books and records at any time during the policy period and within three years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

OPTIONAL POLICY PROVISIONS

Each Optional Provision applies only as indicated in the **Declarations** or Extension Certificate.

Option AI - Named Additional Insured. The definition of **insured** in this policy includes the person or organization named in the **Declarations** as an additional insured or whose name is on file with us with respect to:

1. Section I: **Coverage A - Dwelling;**
2. Section II: **Coverage L - Business Liability and Coverage M - Premises Medical Payments** but only with respect to the **residence premises**. This coverage does not apply to **bodily injury** to any employee arising out of or in the course of the employee's employment by the person or organization.

This option applies only with respect to the location shown in the **Declarations**.

Option RC - Replacement Cost - Contents. Under **SECTION I - CONDITIONS**, items a. and b. of the Loss Settlement Condition are replaced with the following:

- a. (1) Fences and the following personal property at actual cash value at the time of loss:
- (a) antiques, fine arts, paintings, statuary and similar articles which by their inherent nature cannot be replaced with new articles;
 - (b) articles whose age or history contribute substantially to their value including, but

not limited to, memorabilia, souvenirs and collectors items;

(c) property not useful for its intended purpose.

(2) We will not pay:

(a) an amount exceeding that necessary to repair or replace the property; or

(b) an amount in excess of the limit of liability applying to the property.

b. Other personal property, carpeting, domestic appliances, awnings and outdoor antennas, whether or not attached to buildings, and other structures (except fences) that are not buildings under Dwelling Extension, at the cost of repair or replacement at

the time of loss without deduction for depreciation, subject to the following:

(1) We will pay the cost of repair or replacement but not exceeding the smallest of the following amounts:

(a) replacement cost at time of loss;

(b) the full cost of repair;

(c) any special limit of liability described in the policy; or

(d) any applicable Coverage A or Coverage B limit of liability.

(2) Loss to property not repaired or replaced within one year after the loss will be settled on an actual cash value basis.

IN WITNESS WHEREOF, this Company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly authorized Agent of this Company at the agency hereinbefore mentioned.

Kim M. Brunner

Secretary

Edward B. Rust, Jr.

President

The Board of Directors, in accordance with Article VI(c) of this Company's Articles of Incorporation, may from time to time distribute equitably to the holders of the participating policies issued by said Company such sums out of its earnings as in its judgment are proper.

IN THE CIRCUIT COURT OF CHAMBERS COUNTY, ALABAMA

CIVIL ACTION NO.: CV07-268

RANDALL KIRK, individually,

Plaintiff

vs.

SEP 19 2007

STATE FARM FIRE AND CASUALTY COMPANY, a corporation; DONNY HOLLEY, individually **No. 1**, whether singular or plural, that entity who or which sold any policy to Plaintiffs prior to the incident made the basis of this lawsuit; **No. 2**, whether singular or plural, that entity who or which, as an agent, sold any policy to the plaintiffs made the basis of this lawsuit; **No. 3**, whether singular or plural, Plaintiffs hereby intending to designate that certain insurance agency which, through its agents or otherwise, sold plaintiffs any policy made the basis of this suit; **No. 4**, whether singular or plural, that entity who or which, through agents or otherwise, marketed to Plaintiffs any policy on or before the filing of this lawsuit; **No. 5**, whether singular or plural, Plaintiffs hereby intending to designate that certain insurance company which issued, insured, or participated in the matters alleged herein; **No. 6**, whether singular or plural, that entity who or which sold to Plaintiffs any insurance policy **No. 9**, whether singular or plural, that entity who or which was a representative, managing general agent, agent, claim specialist and/or underwriter for any insurance company which in any way may be involved with Plaintiffs' insurance policies ; **No. 10**, whether singular or plural that entity who or which, as described above, is the predecessor corporation of any of the entities described above or in the body of the complaint; and **No. 11**, whether singular or plural, that entity who or which, as described above, is the successor corporation of any of the entities described herein; and **No. 12** whether singular or plural, that entity who or which had any involvement with the denial of said claims. (Plaintiff avers that the identities of the Fictitious Party Defendants herein are otherwise unknown to the Plaintiff at this time or, if their names are known to Plaintiff at this time, their identities as proper party defendants are not known to the plaintiff at this time, and their true names will be substituted by amendment when ascertained.);

Defendants.



COMPLAINT

1. Randall Kirk is an individual over the age of nineteen (19) years and a resident of Chambers County, Alabama at the time of the occurrence made the basis of this suit.
2. State Farm Fire and Casualty Company (hereinafter referred to as "State Farm") is a corporation doing business in Chambers County, Alabama.
3. Donny Holley, (hereinafter referred to as "Mr. Holley"), individually and as an agent, representative and employee of State Farm is a resident of Chambers County, Alabama and does business in Chambers County, Alabama.
4. The real property made the basis of this litigation is situated in Chambers County, Alabama. The actions complained of took place in Chambers County, Alabama.

FACTS

5. Prior to April 19, 2006, defendant, Mr. Holley procured, for valuable consideration, a policy of homeowners insurance for the plaintiff for his real property located at 5439 37th St. SW, Lanett, Alabama, 36863, 911 N. 12th St. Lanett, Alabama, 36863, and 5438 16th St. SW Lanett, Alabama 36863. Defendant, State Farm, wrote said policy of insurance. Additionally, said policy of insurance provided coverage for the "dwelling," including wind damage and hail damage.
6. The contract of insurance, procured by Mr. Holley, through State Farm, obligated State Farm to provide insurance coverage on the plaintiff's dwellings in the event of a covered loss.
7. On or about April 19, 2006, the plaintiffs' home was damaged by wind and hail.
8. Pursuant to the provisions of said policy of insurance, the plaintiff notified Mr. Holley of the loss and filed a claim with Mr. Holley and State Farm. Mr. Holley represented to the plaintiff that this was a covered loss and that State Farm would send an adjuster to the

home to evaluate the claim since so many homes had been damaged in the area due to the magnitude of the hail storm which struck Chambers County, Alabama on April 19, 2006.

9. State Farm sent an adjuster to the plaintiff's properties who then wrote an estimate indicating that the plaintiff had suffered no damage.
10. The plaintiff then obtained an several estimates showing extensive damage to the plaintiff's properties and submitted them to the adjuster for review and consideration.
11. At that time, the adjuster amended his estimate and offered to pay for a portion of the plaintiff's covered damages but failed to pay the full value of the plaintiff's claims or to offer the full value of the plaintiff's claims.
12. The actions of the adjuster and State Farm were part of a pattern and practice of underpaying or denying valid claims as a cost saving measure to the defendant State Farm.
13. State Farm engaged in a pattern and practice to victimize other similarly situated individuals in the same manner as it did the plaintiff.

COUNT I

14. State Farm entered into a contract with the plaintiff. State Farm breached said contract. Pursuant to the terms and conditions of the plaintiff's contract, wind damage and hail damage are covered perils. The plaintiff's home became damaged by wind and hail, State Farm refused to extend payment for the damage, and State Farm breached its contract with the plaintiffs.

COUNT II

15. State Farm had a duty imposed by law to exercise good faith and fair dealings in the performance of the contractual obligations under the terms of the aforesaid policy of insurance. This duty was breached, either in that State Farm had no arguable basis for denying the claim for wind and hail damage or in that it failed to adequately investigate said claim, and denied it without

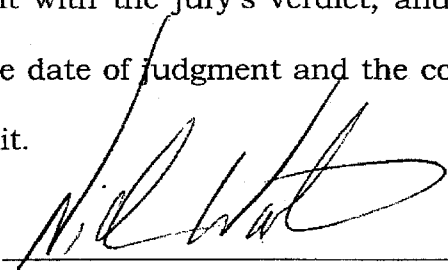
determining whether there was any arguable basis for denying it. This conduct amounts to bad faith and unfair dealings.

16. State Farm acted in bad faith.

COUNT III

17. Mr. Holley negligently or wantonly procured the policy of insurance on the plaintiff's home. When the policy was procured, Mr. Holley personally inspected the home. When Mr. Holley sold the policy of insurance to the plaintiff, he negligently or wantonly informed the plaintiff that wind and hail damage were covered perils. According to State Farm, it was not.

WHEREFORE, Plaintiffs request that the jury selected to hear this case render a verdict in their favor, and against each defendant, separately and severally, and that it award damages to them in an amount which will adequately compensate them for the injuries and damages sustained due to the defendants' actions. Also, on the basis of the foregoing, Plaintiffs request that a jury be selected to hear this case and render a verdict for plaintiffs, and against the defendants, and that it award damages to plaintiffs in an amount which will adequately reflect the enormity of the defendant's wrong, and which will effectively prevent other similarly caused acts. Further, Plaintiffs request that the Court enter judgment consistent with the jury's verdict, and that it also award the plaintiffs interest from the date of judgment and the costs incurred by the Court in managing this lawsuit.



Nick Wooten
David Hodge
Attorneys for Plaintiffs

OF COUNSEL:

WOOTEN LAW FIRM, P.C.
Trial Lawyers
P.O. Drawer 290
Lafayette, Al. 36862
(334) 864-2132
(334) 864-2133 facsimile

PITTMAN, HOOKS, DUTTON, KIRBY & HELLUMS, P.C.
1100 Park Place Tower
2001 Park Place North
Birmingham, Alabama 35203
(205) 322-8880
(205) 328-2711 facsimile

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a struck jury for the trial of this case.



Attorney for Plaintiffs

DEFENDANTS TO BE SERVED BY CERTIFIED MAIL AS FOLLOWS:

State Farm
c/o Tom Lakin
100 State Farm Parkway
Birmingham, AL 35297-0001

TO BE SERVED CERTIFIED MAIL RESTRICTED DELIVERY:

Donny Holley
2105 Broad Avenue # A
Lanett, AL 36863

IN THE CIRCUIT COURT OF CHAMBERS COUNTY, ALABAMA

RANDALL KIRK,

Plaintiff

vs.

STATE FARM FIRE AND CASUALTY
COMPANY, DONNY HOLLEY, et al.

Defendants.

CIVIL ACTION NO:

CV- 07- 268

SEP 19 2007

**PLAINTIFFS' FIRST INTERROGATORIES,
AND REQUEST FOR PRODUCTION,
TO DEFENDANT, STATE FARM FIRE AND CASUALTY COMPANY**

Comes now the plaintiff, and pursuant to the Alabama Rules of Civil Procedure 33, 34, 36 requests that the defendant, STATE FARM FIRE AND CASUALTY COMPANY hereinafter referred to as "this defendant"), answer and respond to the following interrogatories and requests for production, within 45 days of the date the summons and complaint pertinent to this cause was served on this defendant:

1. Please state this defendant's name correctly and/or the correct way this defendant should be designated as a party defendant in an action at law (at the time of the occurrence made the basis of this suit and at the time these interrogatories were answered).
2. Identify the individual responding to these interrogatories, including full name, age, date of birth, social security number, driver's license number, and job title.
3. Explain the relationship between this defendant and defendant, Donny Holley.
4. State the name and job title of any person who reviewed any claim, or any portion of any claim, made by plaintiffs for benefits.
5. State the name and job title of any person who participated in the decision to pay or not pay the claim by plaintiffs for benefits under the policy.

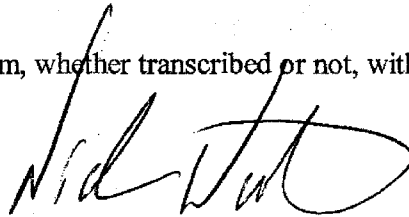


6. State, in detail, this defendant's investigation of Plaintiffs' claim for benefits under the policy made the basis of this suit.
7. Describe, in detail, any and all facts and/or evidence upon which this defendant based its denial of said claim.
8. State the name and job title of any person employed by this defendant or acting as an agent for this defendant who was involved in the application process concerning plaintiffs' policy.
10. List, by company name, all documents, sales materials, brochures, or other similar materials provided to agents to assist them in the sale of policies such as the one made the basis of this suit.
11. State, in detail, this Defendant's procedure for evaluating, investigating, and denying claims.
12. State whether or not there have been, or are now, lawsuits pending against this defendant or its agent(s), in the State of Alabama for the last five (5) years claiming injury or damage due to breach of contract or bad faith failure to pay. If so, for each such lawsuit state:
 - (a) The date of the filing of each such lawsuit.
 - (b) The court in which such lawsuit was filed.
 - (c) The action or court number of each such lawsuit.
 - (d) The name and addresses of all parties, including plaintiff and defendant to each such lawsuit.
 - (e) The disposition of each such lawsuit.
 - (f) The name and address of each person or entity having possession, control or custody of any or all records relating to such legal action against this defendant involving such a claim or similar claim.
13. Please state the name and address of each expert witness that you expect to call at the trial of this case and state the subject matter on which said experts are expected to testify.
14. Please state the substance of the facts, opinions and conclusions to which each and every expert is expected to testify in this case.
15. Please state the name and address of each witness you expect to call to testify at the trial of this case.
16. State, in detail each and every act taken and documents received in evaluating Plaintiffs' claim for benefits.
17. State the name, address and telephone number of any outside adjusting company who evaluated plaintiff's claim.

18. State the name, address, telephone number, qualifications, curriculum vitae, of the person or entity who prepared any and all estimates of damage regarding plaintiffs' claim for damage.

REQUESTS FOR PRODUCTION

1. Any and all documents in your possession which in any way relate or refer to the plaintiffs.
2. The entire claim file regarding the claim at issue in this case.
3. All policies and procedures which in any way deal with the adjustment of property damage claims.
4. All recorded conversations, in any form, whether transcribed or not, with any individual regarding the plaintiffs' claim.



Nick Wooten
David Hodge
Attorneys for Plaintiffs

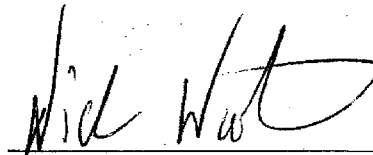
OF COUNSEL:

WOOTEN LAW FIRM, P.C.
Trial Lawyers
P.O. Drawer 290
Lafayette, Al. 36862
(334) 864-2132
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1100 Park Place Tower
2001 Park Place North
Birmingham, Alabama 35203
(205) 322-8880
(205) 328-2711 facsimile

REQUEST FOR SERVICE

Pursuant to ARCP 4.1 and 4.2, plaintiff requests service of the foregoing, along with the Summons and Complaint, by certified mail upon the defendants.



Of Counsel for Plaintiff**DEFENDANTS TO BE SERVED BY CERTIFIED MAIL AS FOLLOWS:**

State Farm
C/o Tom Lakin
100 State Farm Parkway
Birmingham, AL 35297-0001

TO BE SERVED CERTIFIED MAIL RESTRICTED DELIVERY:

Donny Holley
2105 Broad Avenue # A
Lanett, AL 36863

IN THE CIRCUIT COURT OF CHAMBERS COUNTY, ALABAMA

RANDALL KIRK,

Plaintiff

vs.

STATE FARM FIRE AND CASUALTY
COMPANY, DONNY HOLLEY, et al.

Defendants.

CIVIL ACTION NO:

CV- 07- 268NOTICE OF TAKING DEPOSITIONS

SEP 19 2007

NOTICE TO:

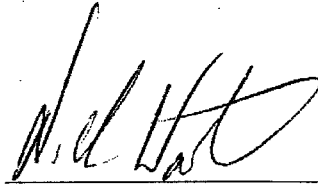
Donny Holley
2105 Broad Ave # A
Lanett, AL 36863

PLEASE TAKE NOTICE that, pursuant to Alabama Rules of Civil Procedure, Plaintiff will take the video deposition of the following persons: **Donny Holley**, upon oral examination before an officer authorized by law to administer oaths.

DATE: Wednesday, November 28, 2007**TIME:** 9:30 a.m. CT**PLACE:** Wooten Law Firm
10 2nd Ave. SE
LaFayette, AL 36862

Said deposition shall continue until completed, you are invited to attend and cross-examine.

Filed this the 11th day of September 2007.



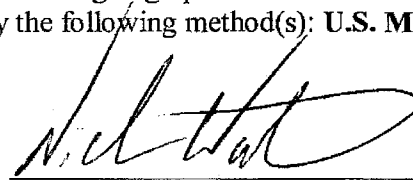
Nicholas H. Wooten (WOO084)
Attorney for the Plaintiff

OF COUNSEL:

WOOTEN LAW FIRM, P.C.
P.O. Drawer 290
LaFayette, Alabama 36862
(334) 864-2132
Fax: 864-2133

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing upon the Defendants on this
the 11 day of September 2007 by the following method(s): **U.S. Mail**



OF COUNSEL

ORIGINAL

IN THE CIRCUIT COURT OF CHAMBERS COUNTY ALABAMA

George Alford,
Plaintiff,

vs.

State Farm Insurance
Corporation and Donny
Holley,
Defendants.

CIVIL ACTION NO:
CV 01-207

ORDER ON POST-TRIAL MOTIONS

This matter came before the Court on a special setting to hear the post-trial motions filed by the defendants in this action on January 10, 2006.

HISTORY

George Alford instituted suit against State Farm and one of its Chambers County agents, Donny Holley on August 23, 2001. The underlying claims in the lawsuit were for breach of contract, conversion and suppression. Thereafter discovery was undertaken and the matter was set for trial in the Circuit Court of Chambers County beginning on September 12, 2005. On that day a jury was qualified, sworn, struck, and impaneled without objection. This Court notes that at the close of the plaintiff's evidence the Court dismissed the counts claiming breach of contract and conversion and allowed the claim of suppression to go forward. On September 14, 2005, the duly empaneled jury delivered a verdict awarding compensatory damages against Donny Holley in the amount of \$20,989.65 and punitive damages in the amount of \$20,989.65 and awarding \$30,000.00 compensatory damages and \$970,000.00 in punitive damages against State Farm Life Insurance Company. All of the defendants timely filed post-trial motions on October 13, 2005. The defendants motion was styled as "*Renewal of motion for judgment as a matter of law and alternative motion for new trial and alternative motion to alter, amend or vacate the Judgment*".

The Defendants' Renewal of Motion for Judgment as a Matter of Law and alternative Motion for New Trial and alternative Motion to Alter, Amend or Vacate the Verdict is hereby Denied.

Done and Ordered this 11th day of January 2006.

FILED IN OFFICE THIS

JAN 12 2006

CHARLES W. STORY
CIRCUIT CLERK
CHAMBERS COUNTY, ALABAMA

TOM F. YOUNG, JR.
Circuit Judge

EXHIBIT

D

PENGAD-Bayonne, N. J.

IN THE CIRCUIT COURT OF
CHAMBERS COUNTY, ALABAMA

RANDALL KIRK

Plaintiff,

vs.

Case No. CV-07-268

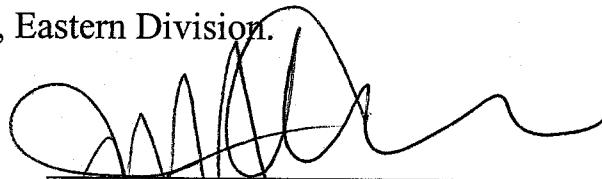
STATE FARM FIRE AND
CASUALTY COMPANY,
DONNY HOLLEY, et al.,

Defendants.

**NOTICE TO STATE COURT OF
REMOVAL OF ACTION TO FEDERAL COURT**

To: Charles W Story
#2 LaFayette St.
LaFayette, AL 36862-0000

Please take notice that Defendants, State Farm Fire and Casualty Company, and Donny Holley have this date filed a Notice of Removal, a copy of which is attached hereto as Exhibit "A," in the Office of the Clerk of the United States District Court for the Middle District of Alabama, Eastern Division.



JAMES H. ANDERSON [AND021]

MICHEAL S. JACKSON [JAC015]

Counsel for Defendant State Farm Fire and
Casualty Company



Of Counsel:

**BEERS, ANDERSON, JACKSON,
PATTY, & FAWAL, P.C.**

P. O. Box 1988

Montgomery, Alabama 36102-1988

Tel: (334) 834-5311 / Fax: (334) 834-5362

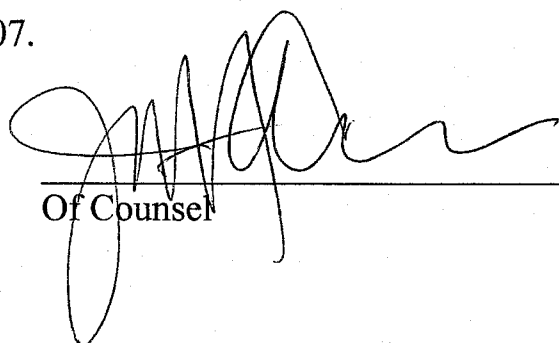
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon all parties to this action by depositing a copy of same in the U.S. Mail, postage prepaid, addressed as follows:

Nick Wooten, Esq.
WOOTEN LAW FIRM, P.C.
P. O. Drawer 290
Lafayette, AL 35862

David Hodge , Esq.
**PITTMAN, HOOKS, DUTTON, KIRBY
& HELLUMS, P.C.**
1100 Park Place Tower
2001 Park Place North
Birmingham, Alabama 35203

on this the 23rd day of October, 2007.



Of Counsel

DUPLICATE

Court Name: U S DISTRICT COURT - AL/M
Division: 2
Receipt Number: 4602000878
Cashier ID: cstrecke
Transaction Date: 10/24/2007
Payer Name: BEERS ANDERSON JACKSON PATTY

CIVIL FILING FEE

For: BEERS ANDERSON JACKSON PATTY
Case/Party: D-ALM-3-07-CV-000957-001
Amount: \$350.00

CHECK

Remitter: BEERS ANDERSON
Check/Money Order Num: 29105
Amt Tendered: \$350.00

Total Due: \$350.00
Total Tendered: \$350.00
Change Amt: \$0.00

DALM307CV000957-WKW

RANDALL KIRK V STATE FARM FIRE AND
CASUALTY ET AL

BEERS ANDERSON JACKSON

P O BOX 1988
MONTGOMERY, AL 36102